

OZONE STANDARDS IMPLEMENTATION ACT OF 2016

MAY 27, 2016.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. UPTON, from the Committee on Energy and Commerce, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 4775]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 4775) to facilitate efficient State implementation of ground-level ozone standards, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:  
Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Ozone Standards Implementation Act of 2016”.

**SEC. 2. FACILITATING STATE IMPLEMENTATION OF EXISTING OZONE STANDARDS.**

(a) DESIGNATIONS.—

(1) DESIGNATION SUBMISSION.—Not later than October 26, 2024, notwithstanding the deadline specified in paragraph (1)(A) of section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)), the Governor of each State shall designate in accordance with such section 107(d) all areas (or portions thereof) of the Governor’s State as attainment, nonattainment, or unclassifiable with respect to the 2015 ozone standards.

(2) DESIGNATION PROMULGATION.—Not later than October 26, 2025, notwithstanding the deadline specified in paragraph (1)(B) of section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)), the Administrator shall promulgate final designations under such section 107(d) for all areas in all States with respect to the 2015 ozone standards, including any modifications to the designations submitted under paragraph (1).

(3) STATE IMPLEMENTATION PLANS.—Not later than October 26, 2026, notwithstanding the deadline specified in section 110(a)(1) of the Clean Air Act (42 U.S.C. 7410(a)(1)), each State shall submit the plan required by such section 110(a)(1) for the 2015 ozone standards.

(b) CERTAIN PRECONSTRUCTION PERMITS.—

(1) IN GENERAL.—The 2015 ozone standards shall not apply to the review and disposition of a preconstruction permit application if—

(A) the Administrator or the State, local, or tribal permitting authority, as applicable, determines the application to be complete on or before the date of promulgation of the final designation of the area involved under subsection (a)(2); or

(B) the Administrator or the State, local, or tribal permitting authority, as applicable, publishes a public notice of a preliminary determination or draft permit for the application before the date that is 60 days after the date of promulgation of the final designation of the area involved under subsection (a)(2).

(2) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

(A) eliminate the obligation of a preconstruction permit applicant to install best available control technology and lowest achievable emission rate technology, as applicable; or

(B) limit the authority of a State, local, or tribal permitting authority to impose more stringent emissions requirements pursuant to State, local, or tribal law than national ambient air quality standards.

**SEC. 3. FACILITATING STATE IMPLEMENTATION OF NATIONAL AMBIENT AIR QUALITY STANDARDS.**

(a) TIMELINE FOR REVIEW OF NATIONAL AMBIENT AIR QUALITY STANDARDS.—

(1) 10-YEAR CYCLE FOR ALL CRITERIA AIR POLLUTANTS.—Paragraphs (1) and (2)(B) of section 109(d) of the Clean Air Act (42 U.S.C. 7409(d)) are amended by striking “five-year intervals” each place it appears and inserting “10-year intervals”.

(2) CYCLE FOR NEXT REVIEW OF OZONE CRITERIA AND STANDARDS.—Notwithstanding section 109(d) of the Clean Air Act (42 U.S.C. 7409(d)), the Administrator shall not—

(A) complete, before October 26, 2025, any review of the criteria for ozone published under section 108 of such Act (42 U.S.C. 7408) or the national ambient air quality standard for ozone promulgated under section 109 of such Act (42 U.S.C. 7409); or

(B) propose, before such date, any revisions to such criteria or standard.

(b) CONSIDERATION OF TECHNOLOGICAL FEASIBILITY.—Section 109(b)(1) of the Clean Air Act (42 U.S.C. 7409(b)(1)) is amended by inserting after the first sentence the following: “If the Administrator, in consultation with the independent scientific review committee appointed under subsection (d), finds that a range of levels of air quality for an air pollutant are requisite to protect public health with an adequate margin of safety, as described in the preceding sentence, the Administrator may consider, as a secondary consideration, likely technological feasibility in establishing and revising the national primary ambient air quality standard for such pollutant.”

(c) CONSIDERATION OF ADVERSE PUBLIC HEALTH, WELFARE, SOCIAL, ECONOMIC, OR ENERGY EFFECTS.—Section 109(d)(2) of the Clean Air Act (42 U.S.C. 7409(d)(2)) is amended by adding at the end the following:

“(D) Prior to establishing or revising a national ambient air quality standard, the Administrator shall request, and such committee shall provide, advice under subparagraph (C)(iv) regarding any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standard.”

(d) TIMELY ISSUANCE OF IMPLEMENTING REGULATIONS AND GUIDANCE.—Section 109 of the Clean Air Act (42 U.S.C. 7409) is amended by adding at the end the following:

“(e) TIMELY ISSUANCE OF IMPLEMENTING REGULATIONS AND GUIDANCE.—

“(1) IN GENERAL.—In publishing any final rule establishing or revising a national ambient air quality standard, the Administrator shall, as the Administrator determines necessary to assist States, permitting authorities, and permit applicants, concurrently publish regulations and guidance for implementing the standard, including information relating to submission and consideration of a preconstruction permit application under the new or revised standard.

“(2) APPLICABILITY OF STANDARD TO PRECONSTRUCTION PERMITTING.—If the Administrator fails to publish final regulations and guidance that include information relating to submission and consideration of a preconstruction permit application under a new or revised national ambient air quality standard concurrently with such standard, then such standard shall not apply to the review and disposition of a preconstruction permit application until the Administrator has published such final regulations and guidance.

“(3) RULES OF CONSTRUCTION.—

“(A) Nothing in this subsection shall be construed to preclude the Administrator from issuing regulations and guidance to assist States, permitting authorities, and permit applicants in implementing a national ambient air quality standard subsequent to publishing regulations and guidance for such standard under paragraph (1).

“(B) Nothing in this subsection shall be construed to eliminate the obligation of a preconstruction permit applicant to install best available control technology and lowest achievable emission rate technology, as applicable.

“(C) Nothing in this subsection shall be construed to limit the authority of a State, local, or tribal permitting authority to impose more stringent emissions requirements pursuant to State, local, or tribal law than national ambient air quality standards.

“(4) DEFINITIONS.—In this subsection:

“(A) The term ‘best available control technology’ has the meaning given to that term in section 169(3).

“(B) The term ‘lowest achievable emission rate’ has the meaning given to that term in section 171(3).

“(C) The term ‘preconstruction permit’—

“(i) means a permit that is required under this title for the construction or modification of a stationary source; and

“(ii) includes any such permit issued by the Environmental Protection Agency or a State, local, or tribal permitting authority.”

(e) CONTINGENCY MEASURES FOR EXTREME OZONE NONATTAINMENT AREAS.—Section 172(c)(9) of the Clean Air Act (42 U.S.C. 7502(c)(9)) is amended by adding at the end the following: “Notwithstanding the preceding sentences and any other provision of this Act, such measures shall not be required for any nonattainment area for ozone classified as an Extreme Area.”

(f) PLAN SUBMISSIONS AND REQUIREMENTS FOR OZONE NONATTAINMENT AREAS.—Section 182 of the Clean Air Act (42 U.S.C. 7511a) is amended—

(1) in subsection (b)(1)(A)(ii)(III), by inserting “and economic feasibility” after “technological achievability”;

(2) in subsection (c)(2)(B)(ii), by inserting “and economic feasibility” after “technological achievability”;

(3) in subsection (e), in the matter preceding paragraph (1)—

(A) by striking “The provisions of clause (ii) of subsection (c)(2)(B) (relating to reductions of less than 3 percent), the provisions of paragraphs” and inserting “The provisions of paragraphs”; and

(B) by striking “, and the provisions of clause (ii) of subsection (b)(1)(A) (relating to reductions of less than 15 percent)”; and

(4) in paragraph (5) of subsection (e), by striking “, if the State demonstrates to the satisfaction of the Administrator that—” and all that follows through the end of the paragraph and inserting a period.

(g) **PLAN REVISIONS FOR MILESTONES FOR PARTICULATE MATTER NONATTAINMENT AREAS.**—Section 189(c)(1) of the Clean Air Act (42 U.S.C. 7513a(c)(1)) is amended by inserting “, which take into account technological achievability and economic feasibility,” before “and which demonstrate reasonable further progress”.

(h) **EXCEPTIONAL EVENTS.**—Section 319(b)(1)(B) of the Clean Air Act (42 U.S.C. 7619(b)(1)(B)) is amended—

(1) in clause (i)—

(A) by striking “(i) stagnation of air masses or” and inserting “(i)(I) ordinarily occurring stagnation of air masses or (II)”; and

(B) by inserting “or” after the semicolon;

(2) by striking clause (ii); and

(3) by redesignating clause (iii) as clause (ii).

(i) **REPORT ON EMISSIONS EMANATING FROM OUTSIDE THE UNITED STATES.**—Not later than 24 months after the date of enactment of this Act, the Administrator, in consultation with States, shall submit to the Congress a report on—

(1) the extent to which foreign sources of air pollution, including emissions from sources located outside North America, impact—

(A) designations of areas (or portions thereof) as nonattainment, attainment, or unclassifiable under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); and

(B) attainment and maintenance of national ambient air quality standards;

(2) the Environmental Protection Agency’s procedures and timelines for disposing of petitions submitted pursuant to section 179B(b) of the Clean Air Act (42 U.S.C. 7509a(b));

(3) the total number of petitions received by the Agency pursuant to such section 179B(b), and for each such petition the date initially submitted and the date of final disposition by the Agency; and

(4) whether the Administrator recommends any statutory changes to facilitate the more efficient review and disposition of petitions submitted pursuant to such section 179B(b).

(j) **STUDY ON OZONE FORMATION.**—

(1) **STUDY.**—The Administrator, in consultation with States and the National Oceanic and Atmospheric Administration, shall conduct a study on the atmospheric formation of ozone and effective control strategies, including—

(A) the relative contribution of man-made and naturally occurring nitrogen oxides, volatile organic compounds, and other pollutants in ozone formation in urban and rural areas, and the most cost-effective control strategies to reduce ozone; and

(B) the science of wintertime ozone formation, including photochemical modeling of wintertime ozone formation, and approaches to cost-effectively reduce wintertime ozone levels.

(2) **PEER REVIEW.**—The Administrator shall have the study peer reviewed by an independent panel of experts in accordance with the requirements applicable to a highly influential scientific assessment.

(3) **REPORT.**—The Administrator shall submit to Congress a report describing the results of the study, including the findings of the peer review panel.

(4) **REGULATIONS AND GUIDANCE.**—The Administrator shall incorporate the results of the study, including the findings of the peer review panel, into any Federal rules and guidance implementing the 2015 ozone standards.

#### **SEC. 4. DEFINITIONS.**

In this Act:

(1) **ADMINISTRATOR.**—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) **BEST AVAILABLE CONTROL TECHNOLOGY.**—The term “best available control technology” has the meaning given to that term in section 169(3) of the Clean Air Act (42 U.S.C. 7479(3)).

(3) **HIGHLY INFLUENTIAL SCIENTIFIC ASSESSMENT.**—The term “highly influential scientific assessment” means a highly influential scientific assessment as defined in the publication of the Office of Management and Budget entitled “Final Information Quality Bulletin for Peer Review” (70 Fed. Reg. 2664 (January 14, 2005)).

(4) **LOWEST ACHIEVABLE EMISSION RATE.**—The term “lowest achievable emission rate” has the meaning given to that term in section 171(3) of the Clean Air Act (42 U.S.C. 7501(3)).

(5) **NATIONAL AMBIENT AIR QUALITY STANDARD.**—The term “national ambient air quality standard” means a national ambient air quality standard promulgated under section 109 of the Clean Air Act (42 U.S.C. 7409).

(6) PRECONSTRUCTION PERMIT.—The term “preconstruction permit”—

(A) means a permit that is required under title I of the Clean Air Act (42 U.S.C. 7401 et seq.) for the construction or modification of a stationary source; and

(B) includes any such permit issued by the Environmental Protection Agency or a State, local, or tribal permitting authority.

(7) 2015 OZONE STANDARDS.—The term “2015 ozone standards” means the national ambient air quality standards for ozone published in the Federal Register on October 26, 2015 (80 Fed. Reg. 65292).

#### PURPOSE AND SUMMARY

H.R. 4775, the Ozone Standards Implementation Act, was introduced on March 17, 2016, by Rep. Pete Olson (R–TX), together with Rep. Bill Flores (R–TX), Rep. Bob Latta (R–OH), House Majority Whip Steve Scalise (R–LA), House Majority Leader Kevin McCarthy (R–CA), and Rep. Henry Cuellar (D–TX). The bill would provide additional time for States and localities to implement new ozone standards, and address other practical challenges under the National Ambient Air Quality Standards (NAAQS) program.

#### BACKGROUND AND NEED FOR LEGISLATION

Under the Clean Air Act’s NAAQS program, the Environmental Protection Agency (EPA) Administrator sets standards for criteria pollutants, including ground-level ozone.<sup>1</sup> According to EPA, since 1980 ozone levels have declined by 33 percent.<sup>2</sup>

EPA initially established ozone standards in 1971, and subsequently revised the standards in 1979, 1997, and 2008.<sup>3</sup> The standards set in 2008 established an eight-hour standard of 75 parts per billion (ppb), replacing a 1997 standard equivalent to 84 ppb. EPA did not publish its implementing regulations for the 2008 standards until March 2015, nearly seven years after these standards had been issued by the agency.

In October 2015, the EPA Administrator also promulgated a new 8-hour ozone standard of 70 ppb.<sup>4</sup> Under the agency’s current schedule, States must submit designation recommendations by October 1, 2016, and EPA plans to designate areas as being in non-attainment by October of next year.<sup>5</sup> Based on the agency’s most recent monitoring data (2012–2014), 241 counties with ozone monitors in thirty-three States would violate the new standard.<sup>6</sup> These projections do not include counties that currently do not have mon-

<sup>1</sup>The other criteria pollutants include carbon monoxide, lead, nitrogen dioxide, particulate matter, and sulfur dioxide. The Clean Air Act requires that EPA set national primary and secondary standards for criteria pollutants that, “allowing an adequate margin of safety,” are requisite to protect public health and welfare. 42 U.S.C. 7409.

<sup>2</sup>See National Trends in Ozone Levels available at <https://www3.epa.gov/airtrends/ozone.html>.

<sup>3</sup>For background on EPA’s ozone standards, see Memorandum of the Energy and Commerce Committee, Majority Staff dated April 12, 2016, and available at <http://docs.house.gov/meetings/IF/IF03/20160414/104778/HHRG-114-IF03-20160414-SD002.pdf>.

<sup>4</sup>80 Fed. Reg. 65,292 (Oct. 26, 2015).

<sup>5</sup>See EPA memo dated Oct. 1, 2015 available at [https://www.epa.gov/sites/production/files/2015-10/documents/implementation\\_memo.pdf](https://www.epa.gov/sites/production/files/2015-10/documents/implementation_memo.pdf); see also guidance dated Feb. 25, 2016 available at <https://www.epa.gov/sites/production/files/2016-02/documents/ozone-designations-guidance-2015.pdf>.

<sup>6</sup>See EPA County-level Design Values for the 2015 Ozone Standards” available at <https://energycommerce.house.gov/news-center/letters/letters-support-hr-4775>. Of the 241 counties, 213 are outside of California.

itors, or contiguous counties that do not exceed 70 ppb but that may also be designated to be in nonattainment.<sup>7</sup>

Prior to EPA's issuance of the 2015 ozone standards, nearly 700 national, State, and local organizations and stakeholders representing businesses and jobs across the country had requested that EPA retain the 2008 standards.<sup>8</sup> In comments on the proposed rule, many State environmental regulators also raised concerns about any revision to the 2008 standards, and specifically regarding the role of background ozone, both naturally-occurring and internationally transported contributions, and limitations to the exceptional events exclusion and other Clean Air Act tools that EPA had highlighted for regulatory relief to address background ozone.<sup>9</sup>

In addition to challenges relating to implementing the new ozone standards, State and local air agencies are increasingly confronting other challenges under the statutory construct of the NAAQS program. For example, in 2012, the Energy and Commerce Committee held forums with many State and local air regulators to examine lessons of Clean Air Act implementation.<sup>10</sup> At those forums, State regulators noted that, while the Clean Air Act has been successful in many respects, there are practical challenges with implementing aspects of the Act, ranging from the agency's failure to issue timely implementation regulations and guidance when standards are revised, to specific issues relating to foreign emissions or exceptional events, statutory provisions that have been interpreted to require States to pursue measures that may not be technologically or economically feasible, and the current statutory requirement that EPA review all NAAQS no later than every five years.

#### *What the Legislation would do*

H.R. 4775 seeks to address concerns raised by State and local air agencies and facilitate more efficient implementation of ozone standards, and the NAAQS program generally. Key provisions would:

- Phase in implementation of the 2015 ozone standards by extending the date for final designations from 2017 to 2025, and aligning permitting requirements;
- Revise the time for mandatory review of NAAQS from five to ten years, while allowing the EPA Administrator discretion to issue revised standards earlier;
- Authorize the EPA Administrator to consider technological feasibility, as a secondary consideration, when establishing or revising NAAQS;

<sup>7</sup>The Clean Air Act established ozone classification and attainment dates for the initial ozone standards of three years for "Marginal," six years for "Moderate," nine years for "Serious," fifteen years for "Severe," and twenty years for "Extreme." 42 U.S.C. 7511. These deadlines have applied to subsequent ozone standards. *See, e.g. NRDC v. EPA*, Case No. 12-1321, U.S. Court of Appeals for the District of Columbia Circuit (Dec. 23, 2014).

<sup>8</sup>*See* July 29, 2015 Letter to Chief of Staff Denis McDonough from Energy and Commerce Committee Members and enclosure available at <https://energycommerce.house.gov/sites/republicans.energycommerce.house.gov/files/114/Letters/20150729WHUpdated.pdf>.

<sup>9</sup>*See, e.g. State Environmental Agency Perspectives on Background Ozone and Regulatory Relief* (June 2015) available at [http://www.esg.org/aapca\\_site/documents/AAPCASurvey-StateEnvironmentalAgencyPerspectivesonBackgroundOzoneandRegulatoryRelief-June2015.pdf](http://www.esg.org/aapca_site/documents/AAPCASurvey-StateEnvironmentalAgencyPerspectivesonBackgroundOzoneandRegulatoryRelief-June2015.pdf).

<sup>10</sup>*See* Clean Air Act Forum (Part I) available at <https://energycommerce.house.gov/hearings-and-votes/event/clean-air-act-forum-part-i>; Clean Air Act Forum (Part II) available at <https://energycommerce.house.gov/hearings-and-votes/event/clean-air-act-forum-part-ii>; Clean Air Act Forum (Part III) available at <https://energycommerce.house.gov/hearings-and-votes/event/clean-air-act-forum-part-iii>.

- Direct the EPA Administrator to obtain advice from the agency’s scientific advisory committee regarding potential adverse effects prior to revising NAAQS, as required by Section 109 of the Clean Air Act;
- Direct the EPA Administrator to issue implementation regulations and guidance concurrently when revising NAAQS, including with respect to permitting requirements;
- Ensure that for certain ozone and particulate matter non-attainment areas, States are not required to include economically infeasible measures in their implementation plans;
- Revise the definition of exceptional events under Section 319 of the Clean Air Act to include droughts and extraordinary stagnation; and
- Direct EPA to submit two reports to Congress including (i) a report regarding the impacts of foreign emissions on NAAQS compliance and related matters; and (ii) a report regarding ozone formation and effective control strategies.

The specific provisions of the bill are addressed below:

*Section 2—Additional time to implement 2015 ozone standards*

Section 2 of the bill would provide additional time for States and localities to implement the 2015 ozone standards by extending the date for final designations from 2017 to 2025, and aligning permitting requirements with the designations.

Providing additional time to implement the 2015 standards will allow EPA and States time to fully implement the 2008 ozone standards. It will also allow EPA time to develop the necessary implementation regulations and guidance to implement the new standards, as well as to clear its existing backlog of implementation plans relating to other standards.<sup>11</sup> It will also ensure that hundreds of counties already on track to meet the standards can come into compliance without being subjected unnecessarily to new regulatory burdens, paperwork requirements, and restrictions.<sup>12</sup>

Additional time would also allow for judicial review of legal challenges by States and other regulated entities pending in the D.C. Circuit.<sup>13</sup> In addition to concerns about whether the new standards are achievable for many counties,<sup>14</sup> there are concerns about the costs of implementation that are estimated by EPA to be \$2 billion

<sup>11</sup>EPA took nearly seven years to finalize implementing regulations for the 2008 ozone standards, and has yet to issue them for its 2012 particulate matter standards. With respect to processing state implementation plans, as of the end of FY 2015, there were 557 backlogged plans. See EPA Congressional Justification, at p. 903, available at <https://www.epa.gov/sites/production/files/2016-02/documents/fy17-congressional-justification.pdf>.

<sup>12</sup>EPA projects “the vast majority of U.S. counties will meet the [2015 ozone standards] by 2025 just with the rules and programs now in place or underway.” See EPA Fact Sheet available at [https://www.epa.gov/sites/production/files/2015-10/documents/20151001designations\\_permitting.pdf](https://www.epa.gov/sites/production/files/2015-10/documents/20151001designations_permitting.pdf).

<sup>13</sup>*Murray Energy Corporation v. EPA*, No. 15-1385 (consolidated with 15-1392, 15-1490, 15-1491 & 15-1494), United States Court of Appeals for the District of Columbia Circuit. States challenging the standards include Arizona, Arkansas, North Dakota, New Mexico, Oklahoma, Utah, Wisconsin, Kentucky, and Texas.

<sup>14</sup>For example, at the April 14, 2016 hearing on H.R. 4775, the State of Arizona’s Director of Environmental Quality, Misael Cabrera, testified: “We believe that the new standard is simply not achievable in many areas of our State. Although the Clean Air Act has five mechanisms to bring nonattainment areas in to compliance, these mechanisms are inadequate for Arizona and likely other Western states.”

annually in 2025,<sup>15</sup> and which may be significantly higher.<sup>16</sup> Questions have also been raised regarding EPA's projections of benefits.<sup>17</sup>

While some commenters on the legislation have raised concerns that this or other provisions of the bill would “roll back” provisions of the Clean Air Act or harm our nation's efforts to protect air quality, nothing in H.R. 4775 changes any existing air quality standards or regulations.<sup>18</sup> The bill simply provides additional time and flexibility to implement standards under the NAAQS program in a manner that avoids unnecessary costs or restrictions on economic and job growth.<sup>19</sup>

### *Section 3(a)—Timeline for review of NAAQS*

Section 3(a) would change the mandatory review of NAAQS from five to ten years, while allowing the EPA Administrator discretion to issue revised standards earlier. Under the section, the Administrator would not be precluded from considering new evidence earlier than the ten year review period.

Providing additional time for the EPA Administrator and the agency to complete the agency's mandatory reviews of NAAQS would address concerns regarding the current review cycle raised by numerous air regulators,<sup>20</sup> and supported at the hearing on the bill.<sup>21</sup> Allowing additional time is reasonable because the agency

<sup>15</sup>While EPA has not provided any cost estimates for earlier years, the agency provides an annualized cost estimate of \$2 billion in 2025, including \$1.4 billion for all States except California, and an additional \$800 million for California post-2025. EPA's cost estimate in the final rule is significantly lower than its estimate in the proposed rule, where it estimated annual costs for a 70 ppb standard to be \$3.9 billion (except California) in 2025. See November 2014 Regulatory Impact Analysis for Proposed Rule at ES-14, ES-15 available at <https://www3.epa.gov/ttn/ecas/regdata/RIAs/20141125ria.pdf>.

<sup>16</sup>For example, at the hearing on H.R. 4775, the Chairman of the Texas Commission on Environmental Quality testified regarding EPA's cost estimates: “My agency's analysis suggests those figures are dramatically incorrect. For example, the EPA only includes industry's costs in their analysis, not the states' or taxpayer's costs. Nor do they look at economic impacts like increased electricity costs.” Further, EPA projects at this time that “unidentified controls” would be needed in some areas to meet a 70 ppb standard, including for 100 percent of the NOx emissions reductions needed in California. See October 2015 Regulatory Impact Analysis for Final Rule at Table 4-9 at 4-40, 4A-5 at 4A-6 and 4A-6 at 4A-6; Tables 3-9 and 3-10 (California) at 3-24 available at <https://www.regulations.gov/#/documentDetail;D=EPA-HQ-OAR-2013-0169-0057>.

<sup>17</sup>See Testimony of Louis Anthony Cox, Jr. Chief Sciences Officer, Nexthealth Technologies available at <http://docs.house.gov/meetings/IF/IF03/20150616/103610/HHRG-114-IF03-Wstate-CoxL-20150616.pdf>; April 14, 2016 Testimony of Bryan Shaw, Chairman, Texas Commission on Environmental Quality, at pp. 1-2, available at <http://docs.house.gov/meetings/IF/IF03/20160414/104778/HHRG-114-IF03-Wstate-ShawB-20160414.pdf>.

<sup>18</sup>Commenters on the legislation have also raised concerns that under the bill, the public will not know if the air that they are breathing meets air quality standards. The Air Quality Index is EPA's tool for providing the public with the most up-to-date information about air quality where they live. See EPA Fact Sheet available at [https://www.epa.gov/sites/production/files/2015-10/documents/20151001\\_air\\_quality\\_index\\_updates.pdf](https://www.epa.gov/sites/production/files/2015-10/documents/20151001_air_quality_index_updates.pdf). Nothing in the bill changes federal regulations (40 CFR 58.50) requiring that States and local agencies report Air Quality Index information to the general public on a daily basis, or changes requirements to monitor, measure, and report air quality data.

<sup>19</sup>At the hearing on H.R. 4775, the San Joaquin Valley Air Pollution Control District Executive Director testified:

H.R. 4775, in my opinion, provides for much needed streamlining of the implementation of the Clean Air Act. It does not roll back anything that is already in the Clean Air Act in the form of protections for public health, safeguarding public health and it does nothing to roll back any of the progress that has been made and it will not impede or slow down our progress as we move forward to reduce air pollution and improve public health.

The Chairman of the Texas Commission on Environmental Quality similarly testified that the bill “simply provides for additional time with the implementation of the latest standard but it does not roll back those requirements that are in place.”

<sup>20</sup>See April 12, 2016 Memorandum, *supra* n. 3, at footnote 21.

<sup>21</sup>At the hearing on H.R. 4775, the Chairman of the Texas Commission on Environmental Quality testified:

does not typically complete its review within the current statutory time frame.<sup>22</sup> As set forth on the agency website, the review process is “a lengthy undertaking,” which involves a “Planning” phase, “Integrated Science Assessment,” “Risk/Exposure Assessment,” “Policy Assessment,” and a rulemaking process for each review, which itself can be a multi-year process.

Providing the EPA Administrator with additional time to review the standards is also reasonable because, as noted above, EPA itself can take years to develop the regulations and guidance needed to implement the standards being reviewed, yet under the current five year schedule, the review process must begin long before the standards being reviewed have even begun to be implemented. For example, EPA set its 2008 ozone standards in March of that year, and then began the process to review those standards in September of that same year, only six months after the standards had been published.<sup>23</sup>

The NAAQS review process, moreover, requires States to expend substantial resources, including review of scientific assessments and proposed rules, at the same time they are also implementing multiple existing standards. For example, States and local air agencies are currently required to implement standards for ozone, particulate matter, and sulfur dioxide. For each of these new standards, States must make designations, and prepare and comply with implementation plans. Under the current five year review cycle, States and local air regulators may be required to divert resources away from implementing an existing standard to focus on the review of that same standard that has yet to be implemented.

### *Section 3(b)—Consideration of technological feasibility*

Section 3(b) would authorize the EPA Administrator to consider technological feasibility when selecting among a range of potential standards that are supported by public health data. In particular, this section states that if the EPA Administrator, in consultation with EPA’s independent scientific advisory committee, finds a range of levels of air quality are requisite to protect public health with an adequate margin of safety, then “the Administrator *may* consider, as a secondary consideration, likely technological feasibility in establishing and revising the national primary ambient air quality standard for such pollutant.” (Emphasis added).

Section 3(b) does not change the Clean Air Act’s requirement that standards be based on protection of public health. The bill

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By lengthening the required review period from five to ten years, it will ensure the EPA does not rush to lower given standards only to comply with a statutory deadline. Furthermore, it will give states more time to comply with previous standards before getting saddled with more stringent standards and facing economic and developmental sanctions for nonattainment.

The Executive Director of the Utah Dept. of Environmental Quality also testified: “In general, extending the 5-year NAAQS review cycle so that it better aligns with the prescribed NAAQS implementation timelines is appropriate.” The Executive Director of the San Joaquin Valley Air Pollution Control District also testified: “H.R. 4775 helps reduce the current chaotic nature of the transition between standards by requiring that EPA issue guidance on implementing new standards in a timely manner and extending the timeframe to review new standards from 5 years to 10 years.”

<sup>22</sup> EPA’s current process for reviewing NAAQS is described by the agency on its website at <https://www.epa.gov/criteria-air-pollutants/process-reviewing-national-ambient-air-quality-standards>. For the list of current NAAQS and links to the specific review periods for each criteria pollutant, see <https://www.epa.gov/criteria-air-pollutants/naaqs-table>.

<sup>23</sup> See Notice of Workshop and Call for Information on Integrated Science Assessment for Ozone, 73 Fed. Reg. 56581 (Sept. 29, 2008).

simply clarifies that the EPA Administrator has the discretion to consider technological feasibility when choosing among a range of levels identified and supported by the science as protective of public health. This is a clarification for future Administrators that Congress considers technical feasibility to be a reasonable part of the decision-making process when policy choices must be made among a range of scientifically valid options.<sup>24</sup>

*Section 3(c)—Consideration of potential adverse effects*

Section 3(c) would direct the EPA Administrator to consider potential adverse effects when setting NAAQS standards. In particular, under Section 109 of the Clean Air Act, EPA’s independent scientific advisory committee is required to provide advice to the agency about the potential adverse effects of implementing new air quality standards. 42 U.S.C. 7409(d)(2)(C)(iv). While the Act expressly requires that the Clean Air Scientific Advisory Committee (CASAC) “advise the Administrator of any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standards,” EPA does not currently implement this statutory provision. To the contrary, in May 2015, the Government Accountability Office issued a report indicating CASAC has never provided such advice because EPA has never requested it, and that EPA has no plans to ask CASAC to provide advice on potential adverse effects.<sup>25</sup>

Such advice would help inform the NAAQS process and is relevant to developing and implementing new standards. In a recent survey by the Association of Air Pollution Control Agencies, 80 percent of State air agencies said that CASAC advice on potential adverse public health, welfare, social, economic, or energy effects would be helpful to their agency.<sup>26</sup> Section 3(c) of the bill will ensure this occurs by directing the EPA Administrator, prior to establishing or revising a NAAQS, to request, and CASAC to provide, such advice.<sup>27</sup>

<sup>24</sup> At the hearing on H.R. 4775, the Executive Director of the San Joaquin Valley Air Pollution Control District testified:

The formula-based deadlines and milestones that were prescribed in the Act 25 years ago now lead to mandates that are impossible to meet. H.R. 4775 will amend the Clean Air Act to require control measures that lead to the most expeditious attainment of health based standards while taking into account technological achievability and economic feasibility.

The Chairman of the Texas Commission on Environmental Quality also testified:

The [Clean Air] Act’s requirement that the EPA ignore technological and economic considerations might have made sense forty years ago when it was initially passed. However, pollution levels have been lowered to such a degree that the law of diminishing returns has made it more and more difficult to continue to reduce pollutant levels at all, much less in a way that is not burdensome economically.

<sup>25</sup> See “GAO Report entitled “EPA SCIENCE ADVISORY PANELS, Preliminary Observations on the Processes for Providing Scientific Advice,” GAO-15-636T, May 20, 2015 available at <http://gao.gov/assets/680/670288.pdf>.

<sup>26</sup> The survey is available at [http://www.csg.org/aapca\\_site/events/documents/SurveyResults\\_000.pdf](http://www.csg.org/aapca_site/events/documents/SurveyResults_000.pdf).

<sup>27</sup> Concerns have been raised by States regarding the agency’s failure to implement this statutory provision. See, e.g. May 14, 2014 Letter from Senator Vitter available at [https://web.archive.org/web/20141208042421/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=999cb305-9457-4fdd-a918-aebf11658e14](https://web.archive.org/web/20141208042421/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=999cb305-9457-4fdd-a918-aebf11658e14); see also Response from Louisiana Dept. of Environmental Quality available at [https://web.archive.org/web/20150110124050/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=78659f58-83aa-4c06-9832-86d90efb0b7d](https://web.archive.org/web/20150110124050/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=78659f58-83aa-4c06-9832-86d90efb0b7d); Response from Mississippi Dept. of Environmental Quality available at [https://web.archive.org/web/20150110124050/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=78659f58-83aa-4c06-9832-86d90efb0b7d](https://web.archive.org/web/20150110124050/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=78659f58-83aa-4c06-9832-86d90efb0b7d); Re-

*Section 3(d)—Timely implementing regulations and guidance*

Section 3(d) requires EPA to issue implementation guidance when it issues new standards. Under the bill, if EPA fails to provide such information, the standards will not apply to preconstruction permits until such guidance has been promulgated. This simply creates an incentive for EPA to be more efficient, and provides relief for States and regulated entities burdened by regulatory deadlines and a lack of needed guidance from the agency.<sup>28</sup> While this would ensure EPA has an incentive to take timely action, this subsection also expressly provides that nothing prevents States, local, or tribal permitting authorities from imposing more stringent permitting requirements for preconstruction permit applications.

Under this subsection, furthermore, new manufacturing and industrial facilities would continue to be required to install best available control technology to reduce emissions even where EPA fails to issue timely implementation regulations. The subsection expressly provides that it may not be construed “to eliminate the obligation of a preconstruction permit applicant to install best available control technology and lowest achievable emission rate technology, as applicable.”

*Section 3(e)—Contingency measures*

Currently, the Clean Air Act requires that States and localities include “contingency measures” in their compliance plans for certain nonattainment areas. While “contingency measures” may be reasonable for “Moderate” or “Serious” nonattainment areas, for “Extreme” ozone nonattainment areas States and localities should be pursuing all available control measures.<sup>29</sup> Currently, however, failure to include contingency measures in “Extreme” areas may prevent approval of compliance plans. Section 3(e) would simply

sponse from North Carolina Department of Environment and Natural Resources available at [https://web.archive.org/web/20150110133105/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=0ba945cc-f16f-4e95-ab47-8427c20a9f94](https://web.archive.org/web/20150110133105/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=0ba945cc-f16f-4e95-ab47-8427c20a9f94); Response from Texas Commission on Environmental Quality available at [https://web.archive.org/web/20150110123616/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore\\_id=e3c917db-ccf9-4c22-8d8b-d783458fd5fe](https://web.archive.org/web/20150110123616/http://www.epw.senate.gov/public/index.cfm?FuseAction=Files.View&FileStore_id=e3c917db-ccf9-4c22-8d8b-d783458fd5fe).

<sup>28</sup> During the Subcommittee’s Clean Air Act Forums in 2012, State regulators specifically raised concerns about the lack of timely implementing regulations and guidance on planning. See, e.g. Response of Martha Rudolph, Colorado Dept. of Public Health and the Environment, available at <https://energycommerce.house.gov/sites/republicans.energycommerce.house.gov/files/analysis/CAAforum/20121129/Rudolph.pdf> (“The absence of timely implementation guidance produces a lack of clarity on [state implementation plan] expectations, and often creates considerable uncertainty in the planning process. . . .”); see also, e.g. Response of Teresa Marks of the Arkansas Department of Environmental Quality available at <https://energycommerce.house.gov/sites/republicans.energycommerce.house.gov/files/analysis/CAAforum/20120731/Marks.pdf> (“Too often ‘standards’ are promulgated without the technical implementation rules in place. This places States in an extremely difficult position. . . .”)

<sup>29</sup> At the hearing on H.R. 4775, the Executive Director of the San Joaquin Air Pollution Control District explained:

A classic case of the well-intentioned provisions that were included in the Clean Air Act over 25 years ago that are now leading to unintended consequences is the requirement for contingency measures in areas classified as ‘extreme’ nonattainment. By definition, a region is classified as extreme nonattainment if, despite implementing all available control measures, reductions achieved are not enough to meet the standard . . . . The only way a region can meet the contingency requirements is to hold back on implementing clean air measures and save them for later as a contingency. Of course, this would result in delays in cleaning the air and reducing air pollution. As currently written, the requirements in the Clean Air Act that require extreme areas to include all available measures to ensure expeditious attainment and the requirement for holding back measures as contingency are contradictory.

eliminate the mandate for holding back measures as contingencies in areas classified as an “Extreme” nonattainment area.

*Section 3(f), (g)—Plan Submissions and Requirements*

Sections 3(f) and (g) clarify that economic feasibility, in addition to technical achievability, can be taken into consideration in meeting certain requirements for plans for ozone and particulate matter nonattainment areas.<sup>30</sup> These provisions will help to ensure meaningful consideration of economic feasibility for States and localities working to implement new standards.

*Section 3(h)—Exceptional Events*

Section 3(h) would modify the definition of “exceptional events” in Section 319 of the Clean Air Act to include droughts and extraordinary stagnation.<sup>31</sup> Specifically, this section of the bill would provide that an exceptional event may include stagnation of air masses that are not ordinarily occurring, and may also include a meteorological event involving high temperatures or lack of precipitation.<sup>32</sup>

Nothing in this subsection does away with the detailed statutory requirements under Section 319 or the procedures and guidelines that EPA has laid out for demonstrating exceptional events.<sup>33</sup> Nor does anything in the bill do away with requirements to measure air quality, or to make that air quality data available to the public.

<sup>30</sup> At the hearing on H.R. 4775, the Executive Director of the San Joaquin Air Pollution Control District explained:

Although the Clean Air Act is currently silent on considering economic feasibility in setting new air quality standards, EPA and others have argued that economic feasibility is incorporated in the implementation phase. Our experience, however, shows that meaningful consideration of economic feasibility is nearly impossible when faced with formula-based milestones and deadlines in the Clean Air Act that are set without considering technological achievability and economic feasibility.

<sup>31</sup> The “exceptional events” exclusion seeks to provide relief for areas that may have an exceedance or violate the standards due to events beyond their control. For example, the Director Cabrera of the Arizona Dept. of Environmental Quality testified:

[T]he Clean Air Act will regulate an area that exceeds the standard on four days only the same as an area that exceeds the standard every day. So an area that exceeds the standards on these four days of the year versus an area that exceeds that standard every single day of the year get treated the same and that is the reason why you need exceptional events.

<sup>32</sup> At the hearing on H.R. 4775, the Executive Director of the San Joaquin Air Pollution Control District testified:

Currently, the Clean Air Act does not allow stagnation or lack of precipitation to qualify as exceptional events. The west coast recently experienced drought conditions that had not been experienced since the late 1800s with some locations breaking records over 100 years old. . . . Due to the extreme drought, stagnation, strong inversions, and historically dry conditions experienced over the winter of 2013/14, the Valley could not show attainment even if the Valley eliminated all sources of air pollution and had zero emissions of [fine particulate matter] released into the atmosphere for the following year. . . . Extraordinary circumstances that arise from 100-year droughts should qualify as exceptional events.

The Director of the Arizona Dept. of Environmental Quality also testified to the need for relief relating to exceptional events:

[T]he exceptional events rule is of dubious value to Yuma County, if not the whole country. Although Arizona has been a national leader in the development of exceptional event documentation for dust events, the process for documenting and receiving EPA approval of ozone exceptional events has not been explained, will be almost certainly resource intensive, and is difficult to predict.

<sup>33</sup> Clean Air Act *Section 319(b)* requires a showing that an event has affected air quality in such a way that there was i) a clear causal relationship between the specific event and the monitored exceedance or violation; ii) the event was not reasonably controllable or preventable; and iii) the event was caused by human activity that is unlikely to recur at a particular location or was a natural event. 42 U.S.C. 7619.

*Section 3(i)—Foreign Emissions*

Section 3(i) would require that EPA submit a report to Congress within two years on foreign emissions and their impact on compliance with the NAAQS in the United States. It would also require the agency to provide information regarding the agency's procedures and timelines for disposing of petitions for relief under 179B of the Clean Air Act, and whether the Administrator recommends any statutory changes to facilitate more efficient review and disposition of such petitions.

Currently, the impact of foreign emissions, particularly emissions transported from outside North America, is not fully understood but may be significant.<sup>34</sup> Further, while States and local air quality management agencies have requested relief under Section 179B, EPA has advised the Committee that only five petitions have ever been granted by the agency. Changes to promote more efficient disposition of such petitions would help to ensure that areas, particularly in the Western United States, are not subjected to penalties and sanctions under the Clean Air Act due to foreign emissions.

*Section 3(j)—Ozone Formation and Control Strategies*

Section 3(j) would require that the Administrator conduct a study on the atmospheric formation of ozone and effective control strategies, including with regard to the relative contribution of manmade and naturally occurring NO<sub>x</sub>, VOCs, and other pollutants in ozone formation in urban and rural areas, and with regard to wintertime ozone, that the study be peer reviewed in accordance with the requirements applicable to highly influential scientific assessments. Under this subsection, the Administrator is required to submit a report to Congress describing the results of the study and incorporate the results of the study into any Federal rules and guidance implementing the 2015 ozone standards.<sup>35</sup>

*Supporters of the Legislation*

60 Plus Association  
 African-American Republican Leadership Council (AARLC)  
 Alabama Forestry Association  
 Alabama Petroleum Council  
 Alaska Chamber  
 Alliance of Automobile Manufacturers  
 Aluminum Association

<sup>34</sup> At the hearing on H.R. 4775, the Director of the Utah Dept. of Environmental Quality testified: "International transport can, at times, account for up to 85 percent of the 8-hour ambient ozone concentration in some Western states. Many areas in the West have little chance of identifying sufficient controls to achieve attainment, leading to severe consequences." In February 2016, EPA held a two-day workshop in Phoenix on background ozone that considered, inter alia, international transport. For information on the workshop, see <https://www.epa.gov/ozone-pollution/background-ozone-workshop-and-information>.

<sup>35</sup> At the hearing on H.R. 4775, the Executive Director of Utah's Department of Environmental Quality testified:

As a result of these significant [nitrogen oxide] emission reductions, ozone levels have been improving throughout the eastern U.S. Equivalent NO<sub>x</sub> emission reductions have also been occurring at western power plants . . . and mobile source emission reductions have also been substantial, but there have not been corresponding decreases in ozone levels in the west.

Further, "[i]n rural areas where biogenic (natural source) emissions are the majority of the inventory . . . reductions in anthropogenic VOC are unlikely to have any effect on ambient ozone concentrations." Director Matheson also testified that "[m]ost scientific studies of ozone have focused on summertime ozone in urban areas; and the summer ozone-formation chemistry is well characterized. Wintertime ozone, on the other hand, is a relatively new phenomenon, limited to a few isolated basins in the intermountain west, and its causes are not fully understood."

American Business Defense Council  
 American Chemistry Council  
 American Coalition for Clean Coal Electricity  
 American Coatings Association  
 American Coke and Coal Chemicals Institute  
 American Commitment  
 American Composites Manufacturers Association  
 American Concrete Pressure Pipe Association  
 American Council for Capital Formation  
 American Encore  
 American Energy Alliance  
 American Farm Bureau Federation  
 American Forest & Paper Association  
 American Foundry Society  
 American Fuel & Petrochemical Manufacturers  
 American Highway Users Alliance  
 American Iron and Steel Institute  
 American Petroleum Institute  
 American Road & Transportation Builders Association (ARTBA)  
 American Wood Council  
 Americans for Competitive Enterprise  
 Americans for Constitutional Liberty  
 Americans for Limited Government  
 Americans for Prosperity  
 Americans for Tax Reform  
 Anderson Area Chamber of Commerce  
 API New York  
 API Ohio  
 Arizona Chamber of Commerce and Industry  
 Arkansas Petroleum Council  
 Arkansas State Chamber of Commerce  
 Ascension Chamber of Commerce  
 Asphalt Roofing Manufacturers Association (ARMA)  
 Associated Industries of Arkansas  
 Associated Petroleum Industries of Michigan  
 Associated Petroleum Industries of Pennsylvania  
 Association of American Railroads  
 Association of Mature American Citizens  
 Association of Washington Business  
 Baton Rouge Area Chamber  
 Black Hills Forest Resource Association  
 Blacks Economic-Security Today Trust Fund (BEST Trust Fund)  
 Business Council of Alabama  
 Center for Energy and Environment Competitive Enterprise Institute  
 Center for Individual Freedom  
 Center of the American Experiment (Minnesota)  
 Central Chamber of Commerce  
 Charleston Metro Chamber of Commerce  
 Charlotte Chamber of Commerce  
 Chemical Industry Council of California  
 Chemical Industry Council of Delaware  
 Chemical Industry Council of Illinois  
 Chemistry Council of New Jersey  
 Cherry Creek Chamber of Commerce

Citizens' Alliance for Responsible Energy (CARE)  
Civitas Institute  
Clay County Chamber of Commerce  
Coalition for Self-Government in the West  
Coalition Opposed to Additional Spending and Taxes (COAST)  
Colorado Association of Commerce & Industry  
Colorado Business Roundtable  
Colorado Petroleum Association  
Colorado Timber Industry Association  
Committee for a Constructive Tomorrow (CFACT)  
Connecticut Petroleum Council  
Consumer Energy Alliance  
Consumer Specialty Products Association  
Corn Refiners Association  
Corpus Christi Chamber of Commerce  
Council for Citizens Against Government Waste  
Council of Industrial Boiler Owners (CIBO)  
Dallas Regional Chamber  
Delaware State Chamber of Commerce  
Denver Metro Chamber of Commerce  
Energy & Environment Legal Institute (E&E Legal)  
Energy Makes America Great  
Extruded Polystyrene Foam Association (XPSA)  
Fashion Jewelry & Accessories Trade Association  
Flexible Packaging Association  
Florida Chamber of Commerce  
Florida Petroleum Council  
Forest Resources Association  
Freedom Partners Chamber of Commerce  
Freedom Works  
Frontiers of Freedom  
Galveston Regional Chamber of Commerce  
Gas Processors Association  
Georgia Agribusiness Council  
Georgia Association of Manufacturers  
Georgia Chamber of Commerce  
Georgia Chemistry Council  
Georgia Petroleum Council  
Glass Packaging Institute (GPI)  
Global Cold Chain Alliance  
Granbury Chamber of Commerce  
Greater Beaumont Chamber of Commerce  
Greater El Paso Chamber of Commerce  
Greater Elkhart Chamber of Commerce  
Greater Irving-Las Colinas Chamber of Commerce  
Greater New Braunfels Chamber of Commerce  
Greater North Dakota Chamber of Commerce  
Greater Port Arthur Chamber of Commerce  
Greater Summerville/Dorchester County Chamber of Commerce  
Greater Topeka Chamber of Commerce  
Greenville Chamber  
Hispanic Leadership Fund  
Iberville Chamber of Commerce  
Idaho Freedom Foundation  
Illinois Chamber of Commerce

Illinois Fertilizer & Chemical Association  
Illinois Petroleum Council  
Independence Institute, Energy Policy Center  
Independent Lubricant Manufacturers Association  
Independent Petroleum Association of America  
Independent Women's Forum  
Independent Women's Voice  
Indiana Chamber of Commerce  
Indiana Petroleum Council  
Industrial Energy Consumers of America (IECA)  
Industrial Environmental Association  
Industrial Minerals Association—North America  
Institute for Liberty  
Institute of Makers of Explosives  
Institute of Shortening and Edible Oils  
Intermountain Forest Association  
International Association of Refrigerated Warehouses  
International Institute of Synthetic Rubber Producers, Inc.  
Iowa Association of Business & Industry  
ISSA, The Worldwide Cleaning Industry Association  
James Madison Institute (Florida)  
John Locke Foundation (North Carolina)  
Kansas Chamber of Commerce  
Kansas Independent Oil & Gas Association  
Kansas Petroleum Council  
Kansas Policy Institute  
Kentucky Association of Manufacturers  
Kentucky Chamber of Commerce  
Kentucky Chemical Industry Council  
Kitchen Cabinet Manufacturers Association  
League City Regional Chamber of Commerce  
Less Government  
Let Freedom Ring  
Libertas Institute  
Louisiana Association of Business and Industry  
Louisiana Chemical Association  
Lubbock Chamber of Commerce  
Maine State Chamber of Commerce  
Maryland Petroleum Council  
Maryland Taxpayers Association  
Massachusetts Petroleum Council  
Metro Atlanta Chamber  
Michigan Chemistry Council  
Milledgeville-Baldwin County Chamber  
Minden-South Webster Chamber of Commerce  
Minnesota Chamber of Commerce and Industry  
Minnesota Crop Production Retailers  
Minnesota Petroleum Council  
Mississippi Center for Public Policy  
Mississippi Economic Council  
Missouri Agribusiness Association  
Missouri Chamber of Commerce  
Missouri Petroleum Council  
Monroe Chamber of Commerce  
Montana Chamber of Commerce

Montana Policy Institute  
Motor & Equipment Manufacturers Association  
Myrtle Beach Area Chamber of Commerce  
National Association for Surface Finishing  
National Association of Chemical Distributors  
National Association of Convenience Stores  
National Association of Home Builders  
National Association of Manufacturers  
National Black Chamber of Commerce  
National Center for Public Policy Research  
National Corn Growers Association  
National Cotton Council  
National Council of Textile Organizations  
National Federation of Independent Business  
National Federation of Republican Assemblies  
National Lime Association  
National Marine Manufacturers Association  
National Mining Association  
National Oilseed Processors Association  
National Taxpayers Union  
National Tooling and Machining Association  
National Waste & Recycling Association  
NATSO, Representing America's Travel Plazas and Truckstops  
Nebraska Chamber of Commerce & Industry  
Nevada Manufacturers Association  
New Jersey Chamber of Commerce  
New Jersey Petroleum Council  
New Mexico Association of Commerce and Industry  
New Mexico Business Coalition  
New Mexico Oil & Gas Association  
New York State Chemical Council  
North American Die Casting Association  
North Carolina Chamber  
North Carolina Petroleum Council  
North San Antonio Chamber  
Ohio AgriBusiness Association  
Ohio Chamber of Commerce  
Ohio Chemistry and Technology Council  
Oklahoma State Chamber  
Oregon Women In Timber  
Overland Park Chamber of Commerce  
Palacios Chamber of Commerce  
Pelican Institute for Public Policy (Louisiana)  
Pennsylvania Chamber of Business and Industry  
Pennsylvania Chemical Industry Council  
Petroleum Marketers Association of America  
Portland Cement Association  
Precision Machined Products Association  
Precision Metalforming Association  
Rhode Island Center for Freedom and Prosperity  
Rio Grande Foundation (New Mexico)  
Roanoke Valley Chamber of Commerce  
Rogers-Lowell Area Chamber of Commerce  
Roof Coatings Manufacturers Association (RCMA)  
Secure America's Future Economy

Silver City Grant County Chamber of Commerce  
 Small Business and Entrepreneurship Council  
 Society of Chemical Manufacturers and Affiliates  
 Society of Independent Gasoline Marketers of America  
 South Carolina Chamber of Commerce  
 South Carolina Manufacturing Alliance  
 South Carolina Petroleum Council  
 SPI: The Plastics Industry Trade Association  
 Taxpayers Protection Alliance  
 Tea Party Nation  
 Tennessee Chamber of Commerce and Industry  
 Tennessee Petroleum Council  
 Texas Association of Business  
 Texas Association of Manufacturers  
 Texas Chemical Council  
 Texas Conservative Coalition Research Institute  
 Texas Forest Industries Council  
 Texas Public Policy Foundation  
 The Business Council of New York State  
 The Chamber of Commerce of Reno, Sparks, and Northern Nevada  
 The Fertilizer Institute  
 The Heartland Institute  
 The Kansas Chamber of Commerce  
 The Lake Houston Area Chamber of Commerce  
 The LIBRE Initiative  
 The Maine Heritage Policy Center  
 The Ohio Manufacturers' Association  
 Thomas Jefferson Institute for Public Policy (Virginia)  
 Treated Wood Council  
 Truck and Engine Manufacturers Association  
 U.S. Chamber of Commerce  
 United for Missouri  
 Upstate Chamber Coalition  
 Utah Petroleum Association  
 Virginia Chamber of Commerce  
 Virginia Forestry Association  
 Virginia Manufacturers Association  
 Virginia Petroleum Council  
 West Baton Rouge Chamber of Commerce  
 West Virginia Chamber of Commerce  
 West Virginia Manufacturers Association  
 West Virginia Petroleum Council  
 Western Wood Preservers Institute  
 Wichita Metro Chamber of Commerce  
 Wisconsin Manufacturers & Commerce  
 Wisconsin Paper Council  
 Wyoming Ag-Business Association  
 Wyoming Business Alliance

#### HEARINGS

The Subcommittee on Energy and Power held a hearing on H.R. 4775 on April 14, 2016. The hearing was entitled, "H.R. 4775, Ozone Standards Implementation Act of 2016" and witnesses included the following:

- Bryan W. Shaw, Chairman, Texas Commission on Environmental Quality;
- Seyed Sadredin, Executive Director/Air Pollution Control Officer, San Joaquin Valley Air Pollution Control District;
- Misael Cabrera, Director, Arizona Department of Environmental Quality;
- Alan Matheson, Executive Director, Utah Department of Environmental Quality; and
- Ali Mirzakhali, Director, Division of Air Quality, Delaware Department of Natural Resources and Environmental Control. While EPA did not participate in the hearing, Acting Assistant Administrator Janet McCabe provided a written statement for the record.<sup>36</sup>

Prior to introduction of H.R. 4775, in the 114th Congress the Subcommittee on Energy and Power also held hearing entitled “EPA’s Proposed Ozone Rule” on June 12, 2015, and a joint hearing with the Subcommittee on Commerce, Manufacturing, and Trade entitled “EPA’s Proposed Ozone Rule: Potential Impacts on Manufacturing,” on June 16, 2015. Further, in the 113th Congress, the Subcommittee held a hearing entitled “Promoting New Manufacturing Act” on May 21, 2014, which examined a discussion draft of H.R. 4795 introduced by Rep. Scalise on May 30, 2014, and passed by the House of Representatives on November 20, 2014, which included provisions similar to those reflected in Sections 2(a) and 3(d) of H.R. 4775 relating to preconstruction permits.

#### COMMITTEE CONSIDERATION

On May 11 and 12, 2016, the Subcommittee on Energy and Power met in open markup session to consider H.R. 4775, and forwarded the bill to the full Committee, without amendment, by a record vote of 15 ayes and 13 nays. During the markup, three amendments were offered, of which two were offered and rejected by a record vote and one was offered and rejected by a voice vote.

On May 17 and 18, 2016, the Committee on Energy and Commerce met in open markup session to consider H.R. 4775. During the markup, seven amendments were offered, of which two were offered and approved by voice vote, four were offered and rejected by a record vote, and one was offered and rejected by a voice vote. A motion by Mr. Upton to order H.R. 4775 reported to the House, as amended, was agreed to by a record vote of 30 ayes and 23 nays.

#### COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

<sup>36</sup> See Written Statement of Janet McCabe, Acting Assistant Administrator, Office of Air and Radiation, EPA available at <http://docs.house.gov/meetings/IF/IF03/20160414/104778/HHRG-114-IF03-20160414-SD003.pdf>.

**COMMITTEE ON ENERGY AND COMMERCE -- 114TH CONGRESS  
ROLL CALL VOTE # 65**

**BILL:** H.R. 4775, Ozone Standards Implementation Act of 2016

**AMENDMENT:** An amendment offered by Mr. Rush, No. 2, to provide that section 2 shall cease to apply if the Administrator of EPA finds that application of subsection (a) could increase the incidence of asthma attacks, respiratory disease, cardiovascular disease, stroke, heart attacks, babies born with low birth weight and impaired fetal growth, neurological damage, premature mortality, or other serious harms to human health, especially for vulnerable populations such as pregnant women, children, the elderly, outdoor workers, and low income communities.

**DISPOSITION:** NOT AGREED TO, by a roll call vote of 21 yeas and 28 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton		X		Mr. Pallone	X		
Mr. Barton		X		Mr. Rush	X		
Mr. Whitfield		X		Ms. Eshoo	X		
Mr. Shimkus		X		Mr. Engel	X		
Mr. Pitts		X		Mr. Green			
Mr. Walden		X		Ms. DeGette	X		
Mr. Murphy		X		Ms. Capps	X		
Mr. Burgess				Mr. Doyle	X		
Mrs. Blackburn				Ms. Schakowsky	X		
Mr. Scalise				Mr. Butterfield	X		
Mr. Latta		X		Ms. Matsui	X		
Mrs. McMorris Rodgers		X		Ms. Castor	X		
Mr. Harper		X		Mr. Sarbanes	X		
Mr. Lance		X		Mr. McNerney			
Mr. Guthrie		X		Mr. Welch	X		
Mr. Olson		X		Mr. Lujan	X		
Mr. McKinley		X		Mr. Tonko	X		
Mr. Pompeo		X		Mr. Yarmuth	X		
Mr. Kinzinger		X		Ms. Clarke	X		
Mr. Griffith		X		Mr. Loeb sack	X		
Mr. Bilirakis		X		Mr. Schrader	X		
Mr. Johnson		X		Mr. Kennedy	X		
Mr. Long		X		Mr. Cardenas	X		
Mrs. Ellmers		X					
Mr. Bucshon		X					
Mr. Flores		X					
Mrs. Brooks		X					
Mr. Mullin		X					
Mr. Hudson		X					
Mr. Collins		X					
Mr. Cramer		X					

05/18/2016

**COMMITTEE ON ENERGY AND COMMERCE -- 114TH CONGRESS  
ROLL CALL VOTE # 66**

**BILL:** H.R. 4775, Ozone Standards Implementation Act of 2016

**AMENDMENT:** An amendment offered by Mr. Pallone, No. 4, to strike section 3(b), relating to consideration of technological feasibility, and make such conforming changes as may be necessary.

**DISPOSITION:** **NOT AGREED TO**, by a roll call vote of 22 yeas and 29 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton		X		Mr. Pallone	X		
Mr. Barton		X		Mr. Rush	X		
Mr. Whitfield		X		Ms. Eshoo	X		
Mr. Shimkus		X		Mr. Engel	X		
Mr. Pitts		X		Mr. Green			
Mr. Walden		X		Ms. DeGette	X		
Mr. Murphy		X		Ms. Capps	X		
Mr. Burgess				Mr. Doyle	X		
Mrs. Blackburn		X		Ms. Schakowsky	X		
Mr. Scalise				Mr. Butterfield	X		
Mr. Latta		X		Ms. Matsui	X		
Mrs. McMorris Rodgers		X		Ms. Castor	X		
Mr. Harper		X		Mr. Sarbanes	X		
Mr. Lance		X		Mr. McNerney	X		
Mr. Guthrie		X		Mr. Welch	X		
Mr. Olson		X		Mr. Lujan	X		
Mr. McKinley		X		Mr. Tonko	X		
Mr. Pompeo		X		Mr. Yarmuth	X		
Mr. Kinzinger		X		Ms. Clarke	X		
Mr. Griffith		X		Mr. Loeb sack	X		
Mr. Bilirakis		X		Mr. Schrader	X		
Mr. Johnson		X		Mr. Kennedy	X		
Mr. Long		X		Mr. Cardenas	X		
Mrs. Ellmers		X					
Mr. Bucshon		X					
Mr. Flores		X					
Mrs. Brooks		X					
Mr. Mullin		X					
Mr. Hudson		X					
Mr. Collins		X					
Mr. Cramer		X					

05/18/2016

**COMMITTEE ON ENERGY AND COMMERCE -- 114TH CONGRESS  
ROLL CALL VOTE # 67**

**BILL:** H.R. 4775, Ozone Standards Implementation Act of 2016

**AMENDMENT:** An amendment offered by Ms. Castor, No. 5, to strike section 3(d), relating to timely issuance of implementing regulations and guidance, and redesignate the subsequent subsections.

**DISPOSITION:** NOT AGREED TO, by a roll call vote of 23 yeas and 31 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton		X		Mr. Pallone	X		
Mr. Barton		X		Mr. Rush	X		
Mr. Whitfield		X		Ms. Eshoo	X		
Mr. Shimkus		X		Mr. Engel	X		
Mr. Pitts		X		Mr. Green	X		
Mr. Walden		X		Ms. DeGette	X		
Mr. Murphy		X		Ms. Capps	X		
Mr. Burgess		X		Mr. Doyle	X		
Mrs. Blackburn		X		Ms. Schakowsky	X		
Mr. Scalise		X		Mr. Butterfield	X		
Mr. Latta		X		Ms. Matsui	X		
Mrs. McMorris Rodgers		X		Ms. Castor	X		
Mr. Harper		X		Mr. Sarbanes	X		
Mr. Lance		X		Mr. McNerney	X		
Mr. Guthrie		X		Mr. Welch	X		
Mr. Olson		X		Mr. Lujan	X		
Mr. McKinley		X		Mr. Tonko	X		
Mr. Pompeo		X		Mr. Yarmuth	X		
Mr. Kinzinger		X		Ms. Clarke	X		
Mr. Griffith		X		Mr. Loeb sack	X		
Mr. Bilirakis		X		Mr. Schrader	X		
Mr. Johnson		X		Mr. Kennedy	X		
Mr. Long		X		Mr. Cardenas	X		
Mrs. Ellmers		X					
Mr. Bucshon		X					
Mr. Flores		X					
Mrs. Brooks		X					
Mr. Mullin		X					
Mr. Hudson		X					
Mr. Collins		X					
Mr. Cramer		X					

05/18/2016

**COMMITTEE ON ENERGY AND COMMERCE -- 114TH CONGRESS  
ROLL CALL VOTE # 68**

**BILL:** H.R. 4775, Ozone Standards Implementation Act of 2016

**AMENDMENT:** An amendment offered by Mr. Rush, No. 6, to provide that conditioning the applicability of a new or revised NAAQS on EPA concurrently publishing regulations and guidance for implementing the standards shall not apply with respect to review and disposition of a preconstruction permit application by a Federal, State, local, or tribal permitting authority if such authority determines that application of such condition is likely to (i) increase air pollution that harms human health and the environment; (ii) slow issuance of final preconstruction permits; (iii) increase regulatory uncertainty; (iv) foster additional litigation; (v) shift the burden of pollution control from new sources to existing sources of pollution, including small businesses; or (vi) increase the overall cost of achieving the new or revised national ambient air quality standard in the applicable area.

**DISPOSITION:** NOT AGREED TO, by a roll call vote of 23 yeas and 31 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton		X		Mr. Pallone	X		
Mr. Barton		X		Mr. Rush	X		
Mr. Whitfield		X		Ms. Eshoo	X		
Mr. Shimkus		X		Mr. Engel	X		
Mr. Pitts		X		Mr. Green	X		
Mr. Walden		X		Ms. DeGette	X		
Mr. Murphy		X		Ms. Capps	X		
Mr. Burgess		X		Mr. Doyle	X		
Mrs. Blackburn		X		Ms. Schakowsky	X		
Mr. Scalise		X		Mr. Butterfield	X		
Mr. Latta		X		Ms. Matsui	X		
Mrs. McMorris Rodgers		X		Ms. Castor	X		
Mr. Harper		X		Mr. Sarbanes	X		
Mr. Lance		X		Mr. McNerney	X		
Mr. Guthrie		X		Mr. Welch	X		
Mr. Olson		X		Mr. Lujan	X		
Mr. McKinley		X		Mr. Tonko	X		
Mr. Pompeo		X		Mr. Yarmuth	X		
Mr. Kinzinger		X		Ms. Clarke	X		
Mr. Griffith		X		Mr. Loeb sack	X		
Mr. Bilirakis		X		Mr. Schrader	X		
Mr. Johnson		X		Mr. Kennedy	X		
Mr. Long		X		Mr. Cardenas	X		
Mrs. Ellmers		X					
Mr. Bucshon		X					
Mr. Flores		X					
Mrs. Brooks		X					
Mr. Mullin		X					
Mr. Hudson		X					
Mr. Collins		X					
Mr. Cramer		X					

05/18/2016

**COMMITTEE ON ENERGY AND COMMERCE -- 114TH CONGRESS  
ROLL CALL VOTE # 69**

**BILL:** H.R. 4775, Ozone Standards Implementation Act of 2016

**AMENDMENT:** A motion by Mr. Upton to order H.R. 4775 favorably reported to the House, as amended.  
(Final Passage)

**DISPOSITION:** **AGREED TO**, by a roll call vote of 30 yeas and 23 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton		X		Mr. Pallone	X		
Mr. Barton		X		Mr. Rush	X		
Mr. Whitfield		X		Ms. Eshoo	X		
Mr. Shimkus		X		Mr. Engel	X		
Mr. Pitts		X		Mr. Green	X		
Mr. Walden		X		Ms. DeGette	X		
Mr. Murphy		X		Ms. Capps	X		
Mr. Burgess		X		Mr. Doyle	X		
Mrs. Blackburn		X		Ms. Schakowsky	X		
Mr. Scalise				Mr. Butterfield	X		
Mr. Latta		X		Ms. Matsui	X		
Mrs. McMorris Rodgers		X		Ms. Castor	X		
Mr. Harper		X		Mr. Sarbanes	X		
Mr. Lance		X		Mr. McNerney	X		
Mr. Guthrie		X		Mr. Welch	X		
Mr. Olson		X		Mr. Lujan	X		
Mr. McKinley		X		Mr. Tonko	X		
Mr. Pompeo		X		Mr. Yarmuth	X		
Mr. Kinzinger		X		Ms. Clarke	X		
Mr. Griffith		X		Mr. Loeb sack	X		
Mr. Bilirakis		X		Mr. Schrader	X		
Mr. Johnson		X		Mr. Kennedy	X		
Mr. Long		X		Mr. Cardenas	X		
Mrs. Ellmers		X					
Mr. Bucshon		X					
Mr. Flores		X					
Mrs. Brooks		X					
Mr. Mullin		X					
Mr. Hudson		X					
Mr. Collins		X					
Mr. Cramer		X					

05/18/2016

### COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings that are reflected in this report.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

H.R. 4775 would facilitate more efficient implementation of the ozone standards and NAAQS generally.

#### NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 4775 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

#### EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives, the Committee finds that H.R. 4775 contains no earmarks, limited tax benefits, or limited tariff benefits.

#### COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. At the time this report was filed, the estimate was not available.

#### CONGRESSIONAL BUDGET OFFICE ESTIMATE

At the time this report was filed, the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not available.

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

#### DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 4775 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

#### DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 4775 specifically directs to be completed no specific rulemakings within the meaning of 5 U.S.C. 551 that would not otherwise be issued by the agency.

## ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

## APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

The legislation includes the following provisions:

*Section 1. Short title*

This section provides the short title of “Ozone Standards Implementation Act of 2016.”

*Section 2. Facilitating state implementation of existing ozone standards*

This section provides a schedule for implementation of the NAAQS for ground-level ozone published in 2015. Section 2(a) provides that States shall submit designations to implement the 2015 NAAQS for ground-level ozone not later than October 26, 2024, the Administrator of the Environmental Protection Agency (EPA) shall promulgate final designations with respect to those standards not later than October 26, 2025, and States shall submit implementation plans not later than October 26, 2026.

Section 2(b)(1) provides the standards shall not apply to the review and disposition of a preconstruction permit application required under title I of the Clean Air Act (42 U.S.C. 7401 et seq.) if the Administrator or the State, local, or tribal permitting authority, as applicable, has determined the application to be complete prior to the date of promulgation of final designation of an area, or has published a public notice of a preliminary determination or draft permit before the date that is 60 days after the date of promulgation of final designation.

Section 2(b)(2) provides that the section shall not be construed to eliminate the obligation of a preconstruction permit applicant to install best available control technology and lowest achievable emission rate technology, as applicable, or limit the authority of a State, local, or tribal permitting authority to impose more stringent emissions requirements than the NAAQS.

*Section 3. Facilitating state implementation of national ambient air quality standards*

This section includes provisions to facilitate more efficient implementation of NAAQS by States.

Section 3(a)(1) would extend the current NAAQS review cycle for criteria pollutants from five years to ten years. Section 3(a)(2) would provide that no revision of the ozone standards shall be proposed prior to October 26, 2025.

Section 3(b) provides that the Administrator, when establishing or revising a NAAQS, may consider, as a secondary consideration, likely technological feasibility.

Section 3(c) provides that the Administrator, prior to establishing or revising a NAAQS, shall request, and the Clean Air Scientific Advisory Committee shall provide, the advice provided for in Section 109(d)(2)(C)(iv) of the Clean Air Act regarding any adverse public health, welfare, social, economic, or energy effects, which may result from various strategies for attainment and maintenance of such national ambient air quality standards.

Section 3(d) provides that the Administrator, when establishing or revising a NAAQS, shall concurrently publish implementing regulations and guidance as necessary to assist States, permitting authorities and permitting applicants, and that the new or revised NAAQS shall not apply to preconstruction permit applications until such final regulations and guidance have been published.

Section 3(e) provides that in Extreme ozone nonattainment areas, contingency measures are not required to be included in nonattainment plans.

Sections 3(f)(1), (2) and (3) ensure that economic feasibility, in addition to technological achievability, be taken into consideration in certain requirements for plans for Moderate, Serious, and Extreme ozone nonattainment areas. Section 3(f)(4) eliminates certain demonstration requirements in approving provisions of an implementation plan for an Extreme ozone nonattainment and which anticipates development of new control techniques or improvement of existing control technologies.

Section 3(g) provides that, for particulate matter nonattainment areas, the milestones that must be included in plans to show reasonable further progress must take into account technological achievability and economic feasibility.

Section 3(h) provides that with respect to air quality monitoring data influenced by exceptional events, an exceptional event may include stagnation of air masses that are not ordinarily occurring, and may also include a meteorological event involving high temperatures or lack of precipitation.

Section 3(i) provides that within two years of enactment of the Act, the Administrator, in consultation with States, shall submit to Congress a report on (i) the extent to which foreign sources of air pollution impact the area designations and the attainment and maintenance of NAAQS; (ii) the EPA's procedures and timelines for disposing of petitions relating to emissions from sources emanating outside the United States that are submitted pursuant to section 179B(b) of the Clean Air Act; (iii) the total number of such petitions received by the agency and related information; and (iv) whether the Administrator recommends any statutory changes to facilitate more efficient review and disposition of such petitions.

Section 3(j) provides that the Administrator shall, in consultation with the National Oceanic and Atmospheric Administration: (i) conduct a study on the atmospheric formation of ozone and effective control strategies, including with regard to the relative contribution of manmade and naturally occurring nitrogen oxides, volatile organic compounds, and other pollutants in ozone formation in urban and rural areas, and with regard to wintertime ozone; (ii) that the study be peer reviewed in accordance with the requirements applicable to highly influential scientific assessments; (iii) that the Administrator submit a report to Congress describing the results of the study; and (iv) that the Administrator incorporate the results

of the study into any Federal rules and guidance implementing the 2015 ozone standards.

*Section 4. Definitions*

This section contains the following definitions:

- (1) The term “Administrator” means the EPA Administrator.
- (2) The term “Best Available Control Technology” has the meaning given that term in Clean Air Act Section 169(3).
- (3) The term “Highly Influential Scientific Assessment” means a highly influential scientific assessment as defined in the publication of the Office of Management and Budget entitled “Final Information Quality Bulletin for Peer Review” (70 Fed. Reg. 2664 (January 14, 2005)).
- (4) The term “Lowest Achievable Emission Rate” has the meaning given that term in Clean Air Act Section 171(3).
- (5) The term “national ambient air quality standard” means a national ambient air quality standard promulgated pursuant to Clean Air Act Section 109.
- (6) The term “Preconstruction Permit” means a permit that is required under title I of the Clean Air Act (42 U.S.C. 7401 et seq.) for the construction or modification of a stationary source, and includes any such permit issued by the EPA or a State, local, or tribal permitting authority.
- (7) The term “2015 Ozone Standards” means the national ambient air quality standard for ozone published in the Federal Register on October 26, 2015 (80 Fed. Reg. 65292).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italics*, and existing law in which no change is proposed is shown in roman):

**CLEAN AIR ACT**

\* \* \* \* \*

**TITLE I—AIR POLLUTION PREVENTION AND CONTROL**

**PART A—AIR QUALITY AND EMISSION LIMITATIONS**

\* \* \* \* \*

**NATIONAL AMBIENT AIR QUALITY STANDARDS**

**SEC. 109. (a)(1) The Administrator—**

(A) within 30 days after the date of enactment of the Clean Air Amendments of 1970, shall publish proposed regulations prescribing a national primary ambient air quality standard and a national secondary ambient air quality standard for each air pollutant for which air quality criteria have been issued prior to such date of enactment; and

(B) after a reasonable time for interested persons to submit written comments thereon (but no later than 90 days after the

initial publication of such proposed standards) shall by regulation promulgate such proposed national primary and secondary ambient air quality standards with such modifications as he deems appropriate.

(2) With respect to any air pollutant for which air quality criteria are issued after the date of enactment of the Clean Air Amendments of 1970, the Administrator shall publish, simultaneously with the issuance of such criteria and information, proposed national primary and secondary ambient air quality standards for any such pollutant. The procedure provided for in paragraph (1)(B) of this subsection shall apply to the promulgation of such standards.

(b)(1) National primary ambient air quality standards, prescribed, under subsection (a) shall be ambient air quality standards the attainment and maintenance of which in the judgment of the Administrator, based on such criteria and allowing an adequate margin of safety, are requisite to protect the public health. *If the Administrator, in consultation with the independent scientific review committee appointed under subsection (d), finds that a range of levels of air quality for an air pollutant are requisite to protect public health with an adequate margin of safety, as described in the preceding sentence, the Administrator may consider, as a secondary consideration, likely technological feasibility in establishing and revising the national primary ambient air quality standard for such pollutant.* Such primary standards may be revised in the same manner as promulgated.

(2) Any national secondary ambient air quality standard prescribed, under subsection (a) shall specify a level of air quality the attainment and maintenance of which in the judgment of the Administrator, based on such criteria, is requisite to protect the public welfare from any known or anticipated adverse effects associated with the presence of such air pollutant in the ambient air. Such secondary standards may be revised in the same manner as promulgated.

(c) The Administrator shall, not later than one year after the date of the enactment of the Clean Air Act Amendments of 1977, promulgate a national primary ambient air quality standard for NO<sub>2</sub> concentrations over a period of not more than 3 hours unless, based on the criteria issued under section 108(c), he finds that there is no significant evidence that such a standard for such a period is requisite to protect public health.

(d)(1) Not later than December 31, 1980, and at **five-year intervals** *10-year intervals* thereafter, the Administrator shall complete a thorough review of the criteria published under section 108 and the national ambient air quality standards promulgated under this section and shall make such revisions in such criteria and standards and promulgate such new standards as may be appropriate in accordance with section 108 and subsection (b) of this section. The Administrator may review and revise criteria or promulgate new standards earlier or more frequently than required under this paragraph.

(2)(A) The Administrator shall appoint an independent scientific review committee composed of seven members including at least one member of the National Academy of Sciences, one physician, and one person representing State air pollution control agencies.

(B) Not later than January 1, 1980, and at [five-year intervals] *10-year intervals* thereafter, the committee referred to in subparagraph (A) shall complete a review of the criteria published under section 108 and the national primary and secondary ambient air quality standards promulgated under this section and shall recommend to the Administrator any new national ambient air quality standards and revisions of existing criteria and standards as may be appropriate under section 108 and subsection (b) of this section.

(C) Such committee shall also (i) advise the Administrator of areas in which additional knowledge is required to appraise the adequacy and basis of existing, new, or revised national ambient air quality standards, (ii) describe the research efforts necessary to provide the required information, (iii) advise the Administrator on the relative contribution to air pollution concentrations of natural as well as anthropogenic activity, and (iv) advise the Administrator of any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standards.

*(D) Prior to establishing or revising a national ambient air quality standard, the Administrator shall request, and such committee shall provide, advice under subparagraph (C)(iv) regarding any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standard.*

(e) TIMELY ISSUANCE OF IMPLEMENTING REGULATIONS AND GUIDANCE.—

(1) IN GENERAL.—In publishing any final rule establishing or revising a national ambient air quality standard, the Administrator shall, as the Administrator determines necessary to assist States, permitting authorities, and permit applicants, concurrently publish regulations and guidance for implementing the standard, including information relating to submission and consideration of a preconstruction permit application under the new or revised standard.

(2) APPLICABILITY OF STANDARD TO PRECONSTRUCTION PERMITTING.—If the Administrator fails to publish final regulations and guidance that include information relating to submission and consideration of a preconstruction permit application under a new or revised national ambient air quality standard concurrently with such standard, then such standard shall not apply to the review and disposition of a preconstruction permit application until the Administrator has published such final regulations and guidance.

(3) RULES OF CONSTRUCTION.—

(A) Nothing in this subsection shall be construed to preclude the Administrator from issuing regulations and guidance to assist States, permitting authorities, and permit applicants in implementing a national ambient air quality standard subsequent to publishing regulations and guidance for such standard under paragraph (1).

(B) Nothing in this subsection shall be construed to eliminate the obligation of a preconstruction permit applicant to install best available control technology and lowest achievable emission rate technology, as applicable.

- (C) Nothing in this subsection shall be construed to limit the authority of a State, local, or tribal permitting authority to impose more stringent emissions requirements pursuant to State, local, or tribal law than national ambient air quality standards.
- (4) DEFINITIONS.—In this subsection:
- (A) The term “best available control technology” has the meaning given to that term in section 169(3).
- (B) The term “lowest achievable emission rate” has the meaning given to that term in section 171(3).
- (C) The term “preconstruction permit”—
- (i) means a permit that is required under this title for the construction or modification of a stationary source; and
- (ii) includes any such permit issued by the Environmental Protection Agency or a State, local, or tribal permitting authority.

\* \* \* \* \*

PART D—PLAN REQUIREMENTS FOR NONATTAINMENT AREAS

**Subpart 1—Nonattainment Areas in General**

\* \* \* \* \*

**SEC. 172. NONATTAINMENT PLAN PROVISIONS IN GENERAL.**

- (a) CLASSIFICATIONS AND ATTAINMENT DATES.—
- (1) CLASSIFICATIONS.—(A) On or after the date the Administrator promulgates the designation of an area as a nonattainment area pursuant to section 107(d) with respect to any national ambient air quality standard (or any revised standard, including a revision of any standard in effect on the date of the enactment of the Clean Air Act Amendments of 1990), the Administrator may classify the area for the purpose of applying an attainment date pursuant to paragraph (2), and for other purposes. In determining the appropriate classification, if any, for a nonattainment area, the Administrator may consider such factors as the severity of nonattainment in such area and the availability and feasibility of the pollution control measures that the Administrator believes may be necessary to provide for attainment of such standard in such area.
- (B) The Administrator shall publish a notice in the Federal Register announcing each classification under subparagraph (A), except the Administrator shall provide an opportunity for at least 30 days for written comment. Such classification shall not be subject to the provisions of sections 553 through 557 of title 5 of the United States Code (concerning notice and comment) and shall not be subject to judicial review until the Administrator takes final action under subsection (k) or (l) of section 110 (concerning action on plan submissions) or section 179 (concerning sanctions) with respect to any plan submissions required by virtue of such classification.
- (C) This paragraph shall not apply with respect to nonattainment areas for which classifications are specifically provided under other provisions of this part.

(2) ATTAINMENT DATES FOR NONATTAINMENT AREAS.—(A) The attainment date for an area designated nonattainment with respect to a national primary ambient air quality standard shall be the date by which attainment can be achieved as expeditiously as practicable, but no later than 5 years from the date such area was designated nonattainment under section 107(d), except that the Administrator may extend the attainment date to the extent the Administrator determines appropriate, for a period no greater than 10 years from the date of designation as nonattainment, considering the severity of nonattainment and the availability and feasibility of pollution control measures.

(B) The attainment date for an area designated nonattainment with respect to a secondary national ambient air quality standard shall be the date by which attainment can be achieved as expeditiously as practicable after the date such area was designated nonattainment under section 107(d).

(C) Upon application by any State, the Administrator may extend for 1 additional year (hereinafter referred to as the “Extension Year”) the attainment date determined by the Administrator under subparagraph (A) or (B) if—

(i) the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan, and

(ii) in accordance with guidance published by the Administrator, no more than a minimal number of exceedances of the relevant national ambient air quality standard has occurred in the area in the year preceding the Extension Year.

No more than 2 one-year extensions may be issued under this subparagraph for a single nonattainment area.

(D) This paragraph shall not apply with respect to nonattainment areas for which attainment dates are specifically provided under other provisions of this part.

(b) SCHEDULE FOR PLAN SUBMISSIONS.—At the time the Administrator promulgates the designation of an area as nonattainment with respect to a national ambient air quality standard under section 107(d), the Administrator shall establish a schedule according to which the State containing such area shall submit a plan or plan revision (including the plan items) meeting the applicable requirements of subsection (c) and section 110(a)(2). Such schedule shall at a minimum, include a date or dates, extending no later than 3 years from the date of the nonattainment designation, for the submission of a plan or plan revision (including the plan items) meeting the applicable requirements of subsection (c) and section 110(a)(2).

(c) NONATTAINMENT PLAN PROVISIONS.—The plan provisions (including plan items) required to be submitted under this part shall comply with each of the following:

(1) IN GENERAL.—Such plan provisions shall provide for the implementation of all reasonably available control measures as expeditiously as practicable (including such reductions in emissions from existing sources in the area as may be obtained through the adoption, at a minimum, of reasonably available

control technology) and shall provide for attainment of the national primary ambient air quality standards.

(2) RFP.—Such plan provisions shall require reasonable further progress.

(3) INVENTORY.—Such plan provisions shall include a comprehensive, accurate, current inventory of actual emissions from all sources of the relevant pollutant or pollutants in such area, including such periodic revisions as the Administrator may determine necessary to assure that the requirements of this part are met.

(4) IDENTIFICATION AND QUANTIFICATION.—Such plan provisions shall expressly identify and quantify the emissions, if any, of any such pollutant or pollutants which will be allowed, in accordance with section 173(a)(1)(B), from the construction and operation of major new or modified stationary sources in each such area. The plan shall demonstrate to the satisfaction of the Administrator that the emissions quantified for this purpose will be consistent with the achievement of reasonable further progress and will not interfere with attainment of the applicable national ambient air quality standard by the applicable attainment date.

(5) PERMITS FOR NEW AND MODIFIED MAJOR STATIONARY SOURCES.—Such plan provisions shall require permits for the construction and operation of new or modified major stationary sources anywhere in the nonattainment area, in accordance with section 173.

(6) OTHER MEASURES.—Such plan provisions shall include enforceable emission limitations, and such other control measures, means or techniques (including economic incentives such as fees, marketable permits, and auctions of emission rights), as well as schedules and timetables for compliance, as may be necessary or appropriate to provide for attainment of such standard in such area by the applicable attainment date specified in this part.

(7) COMPLIANCE WITH SECTION 110(a)(2).—Such plan provisions shall also meet the applicable provisions of section 110(a)(2).

(8) EQUIVALENT TECHNIQUES.—Upon application by any State, the Administrator may allow the use of equivalent modeling, emission inventory, and planning procedures, unless the Administrator determines that the proposed techniques are, in the aggregate, less effective than the methods specified by the Administrator.

(9) CONTINGENCY MEASURES.—Such plan shall provide for the implementation of specific measures to be undertaken if the area fails to make reasonable further progress, or to attain the national primary ambient air quality standard by the attainment date applicable under this part. Such measures shall be included in the plan revision as contingency measures to take effect in any such case without further action by the State or the Administrator. *Notwithstanding the preceding sentences and any other provision of this Act, such measures shall not be required for any nonattainment area for ozone classified as an Extreme Area.*

(d) **PLAN REVISIONS REQUIRED IN RESPONSE TO FINDING OF PLAN INADEQUACY.**—Any plan revision for a nonattainment area which is required to be submitted in response to a finding by the Administrator pursuant to section 110(k)(5) (relating to calls for plan revisions) must correct the plan deficiency (or deficiencies) specified by the Administrator and meet all other applicable plan requirements of section 110 and this part. The Administrator may reasonably adjust the dates otherwise applicable under such requirements to such revision (except for attainment dates that have not yet elapsed), to the extent necessary to achieve a consistent application of such requirements. In order to facilitate submittal by the States of adequate and approvable plans consistent with the applicable requirements of this Act, the Administrator shall, as appropriate and from time to time, issue written guidelines, interpretations, and information to the States which shall be available to the public, taking into consideration any such guidelines, interpretations, or information provided before the date of the enactment of the Clean Air Act Amendments of 1990.

(e) **FUTURE MODIFICATION OF STANDARD.**—If the Administrator relaxes a national primary ambient air quality standard after the date of the enactment of the Clean Air Act Amendments of 1990, the Administrator shall, within 12 months after the relaxation, promulgate requirements applicable to all areas which have not attained that standard as of the date of such relaxation. Such requirements shall provide for controls which are not less stringent than the controls applicable to areas designated nonattainment before such relaxation.

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## **Subpart 2—Additional Provisions for Ozone Nonattainment Areas**

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### **SEC. 182. PLAN SUBMISSIONS AND REQUIREMENTS.**

(a) **MARGINAL AREAS.**—Each State in which all or part of a Marginal Area is located shall, with respect to the Marginal Area (or portion thereof, to the extent specified in this subsection), submit to the Administrator the State implementation plan revisions (including the plan items) described under this subsection except to the extent the State has made such submissions as of the date of the enactment of the Clean Air Act Amendments of 1990.

(1) **INVENTORY.**—Within 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a comprehensive, accurate, current inventory of actual emissions from all sources, as described in section 172(c)(3), in accordance with guidance provided by the Administrator.

(2) **CORRECTIONS TO THE STATE IMPLEMENTATION PLAN.**—Within the periods prescribed in this paragraph, the State shall submit a revision to the State implementation plan that meets the following requirements—

(A) **REASONABLY AVAILABLE CONTROL TECHNOLOGY CORRECTIONS.**—For any Marginal Area (or, within the Administrator's discretion, portion thereof) the State shall submit, within 6 months of the date of classification under

section 181(a), a revision that includes such provisions to correct requirements in (or add requirements to) the plan concerning reasonably available control technology as were required under section 172(b) (as in effect immediately before the date of the enactment of the Clean Air Act Amendments of 1990), as interpreted in guidance issued by the Administrator under section 108 before the date of the enactment of the Clean Air Act Amendments of 1990.

(B) SAVINGS CLAUSE FOR VEHICLE INSPECTION AND MAINTENANCE.—(i) For any Marginal Area (or, within the Administrator's discretion, portion thereof), the plan for which already includes, or was required by section 172(b)(11)(B) (as in effect immediately before the date of the enactment of the Clean Air Act Amendments of 1990) to have included, a specific schedule for implementation of a vehicle emission control inspection and maintenance program, the State shall submit, immediately after the date of the enactment of the Clean Air Act Amendments of 1990, a revision that includes any provisions necessary to provide for a vehicle inspection and maintenance program of no less stringency than that of either the program defined in House Report Numbered 95-294, 95th Congress, 1st Session, 281-291 (1977) as interpreted in guidance of the Administrator issued pursuant to section 172(b)(11)(B) (as in effect immediately before the date of the enactment of the Clean Air Act Amendments of 1990) or the program already included in the plan, whichever is more stringent.

(ii) Within 12 months after the date of the enactment of the Clean Air Act Amendments of 1990, the Administrator shall review, revise, update, and republish in the Federal Register the guidance for the States for motor vehicle inspection and maintenance programs required by this Act, taking into consideration the Administrator's investigations and audits of such program. The guidance shall, at a minimum, cover the frequency of inspections, the types of vehicles to be inspected (which shall include leased vehicles that are registered in the nonattainment area), vehicle maintenance by owners and operators, audits by the State, the test method and measures, including whether centralized or decentralized, inspection methods and procedures, quality of inspection, components covered, assurance that a vehicle subject to a recall notice from a manufacturer has complied with that notice, and effective implementation and enforcement, including ensuring that any retesting of a vehicle after a failure shall include proof of corrective action and providing for denial of vehicle registration in the case of tampering or misfueling. The guidance which shall be incorporated in the applicable State implementation plans by the States shall provide the States with continued reasonable flexibility to fashion effective, reasonable, and fair programs for the affected consumer. No later than 2 years after the Administrator promulgates regulations under section 202(m)(3) (relating to emission control diagnostics), the State shall submit a re-

vision to such program to meet any requirements that the Administrator may prescribe under that section.

(C) PERMIT PROGRAMS.—Within 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision that includes each of the following:

(i) Provisions to require permits, in accordance with sections 172(c)(5) and 173, for the construction and operation of each new or modified major stationary source (with respect to ozone) to be located in the area.

(ii) Provisions to correct requirements in (or add requirements to) the plan concerning permit programs as were required under section 172(b)(6) (as in effect immediately before the date of the enactment of the Clean Air Act Amendments of 1990), as interpreted in regulations of the Administrator promulgated as of the date of the enactment of the Clean Air Act Amendments of 1990.

(3) PERIODIC INVENTORY.—

(A) GENERAL REQUIREMENT.—No later than the end of each 3-year period after submission of the inventory under paragraph (1) until the area is redesignated to attainment, the State shall submit a revised inventory meeting the requirements of subsection (a)(1).

(B) EMISSIONS STATEMENTS.—(i) Within 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision to the State implementation plan to require that the owner or operator of each stationary source of oxides of nitrogen or volatile organic compounds provide the State with a statement, in such form as the Administrator may prescribe (or accept an equivalent alternative developed by the State), for classes or categories of sources, showing the actual emissions of oxides of nitrogen and volatile organic compounds from that source. The first such statement shall be submitted within 3 years after the date of the enactment of the Clean Air Act Amendments of 1990. Subsequent statements shall be submitted at least every year thereafter. The statement shall contain a certification that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement.

(ii) The State may waive the application of clause (i) to any class or category of stationary sources which emit less than 25 tons per year of volatile organic compounds or oxides of nitrogen if the State, in its submissions under subparagraphs (1) or (3)(A), provides an inventory of emissions from such class or category of sources, based on the use of the emission factors established by the Administrator or other methods acceptable to the Administrator.

(4) GENERAL OFFSET REQUIREMENT.—For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increased emissions of such air pollutant shall be at least 1.1 to 1.

The Administrator may, in the Administrator's discretion, require States to submit a schedule for submitting any of the revisions or other items required under this subsection. The requirements of this subsection shall apply in lieu of any requirement that the State submit a demonstration that the applicable implementation plan provides for attainment of the ozone standard by the applicable attainment date in any Marginal Area. Section 172(c)(9) (relating to contingency measures) shall not apply to Marginal Areas.

(b) MODERATE AREAS.—Each State in which all or part of a Moderate Area is located shall, with respect to the Moderate Area, make the submissions described under subsection (a) (relating to Marginal Areas), and shall also submit the revisions to the applicable implementation plan described under this subsection.

(1) PLAN PROVISIONS FOR REASONABLE FURTHER PROGRESS.—

(A) GENERAL RULE.—(i) By no later than 3 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision to the applicable implementation plan to provide for volatile organic compound emission reductions, within 6 years after the date of the enactment of the Clean Air Act Amendments of 1990, of at least 15 percent from baseline emissions, accounting for any growth in emissions after the year in which the Clean Air Act Amendments of 1990 are enacted. Such plan shall provide for such specific annual reductions in emissions of volatile organic compounds and oxides of nitrogen as necessary to attain the national primary ambient air quality standard for ozone by the attainment date applicable under this Act. This subparagraph shall not apply in the case of oxides of nitrogen for those areas for which the Administrator determines (when the Administrator approves the plan or plan revision) that additional reductions of oxides of nitrogen would not contribute to attainment.

(ii) A percentage less than 15 percent may be used for purposes of clause (i) in the case of any State which demonstrates to the satisfaction of the Administrator that—

(I) new source review provisions are applicable in the nonattainment areas in the same manner and to the same extent as required under subsection (e) in the case of Extreme Areas (with the exception that, in applying such provisions, the terms "major source" and "major stationary source" shall include (in addition to the sources described in section 302) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 5 tons per year of volatile organic compounds);

(II) reasonably available control technology is required for all existing major sources (as defined in subclause (I)); and

(III) the plan reflecting a lesser percentage than 15 percent includes all measures that can feasibly be implemented in the area, in light of technological achievability *and economic feasibility*.

To qualify for a lesser percentage under this clause, a State must demonstrate to the satisfaction of the Administrator that the plan for the area includes the measures that are achieved in practice by sources in the same source category in nonattainment areas of the next higher category.

(B) **BASELINE EMISSIONS.**—For purposes of subparagraph (A), the term “baseline emissions” means the total amount of actual VOC or NO<sub>x</sub> emissions from all anthropogenic sources in the area during the calendar year of the enactment of the Clean Air Act Amendments of 1990, excluding emissions that would be eliminated under the regulations described in clauses (i) and (ii) of subparagraph (D).

(C) **GENERAL RULE FOR CREDITABILITY OF REDUCTIONS.**—Except as provided under subparagraph (D), emissions reductions are creditable toward the 15 percent required under subparagraph (A) to the extent they have actually occurred, as of 6 years after the date of the enactment of the Clean Air Act Amendments of 1990, from the implementation of measures required under the applicable implementation plan, rules promulgated by the Administrator, or a permit under title V.

(D) **LIMITS ON CREDITABILITY OF REDUCTIONS.**—Emission reductions from the following measures are not creditable toward the 15 percent reductions required under subparagraph (A):

(i) Any measure relating to motor vehicle exhaust or evaporative emissions promulgated by the Administrator by January 1, 1990.

(ii) Regulations concerning Reid Vapor Pressure promulgated by the Administrator by the date of the enactment of the Clean Air Act Amendments of 1990 or required to be promulgated under section 211(h).

(iii) Measures required under subsection (a)(2)(A) (concerning corrections to implementation plans prescribed under guidance by the Administrator).

(iv) Measures required under subsection (a)(2)(B) to be submitted immediately after the date of the enactment of the Clean Air Act Amendments of 1990 (concerning corrections to motor vehicle inspection and maintenance programs).

(2) **REASONABLY AVAILABLE CONTROL TECHNOLOGY.**—The State shall submit a revision to the applicable implementation plan to include provisions to require the implementation of reasonably available control technology under section 172(c)(1) with respect to each of the following:

(A) Each category of VOC sources in the area covered by a CTG document issued by the Administrator between the date of the enactment of the Clean Air Act Amendments of 1990 and the date of attainment.

(B) All VOC sources in the area covered by any CTG issued before the date of the enactment of the Clean Air Act Amendments of 1990.

(C) All other major stationary sources of VOCs that are located in the area.

Each revision described in subparagraph (A) shall be submitted within the period set forth by the Administrator in issuing the relevant CTG document. The revisions with respect to sources described in subparagraphs (B) and (C) shall be submitted by 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, and shall provide for the implementation of the required measures as expeditiously as practicable but no later than May 31, 1995.

(3) GASOLINE VAPOR RECOVERY.—

(A) GENERAL RULE.—Not later than 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision to the applicable implementation plan to require all owners or operators of gasoline dispensing systems to install and operate, by the date prescribed under subparagraph (B), a system for gasoline vapor recovery of emissions from the fueling of motor vehicles. The Administrator shall issue guidance as appropriate as to the effectiveness of such system. This subparagraph shall apply only to facilities which sell more than 10,000 gallons of gasoline per month (50,000 gallons per month in the case of an independent small business marketer of gasoline as defined in section 325).

(B) EFFECTIVE DATE.—The date required under subparagraph (A) shall be—

(i) 6 months after the adoption date, in the case of gasoline dispensing facilities for which construction commenced after the date of the enactment of the Clean Air Act Amendments of 1990;

(ii) one year after the adoption date, in the case of gasoline dispensing facilities which dispense at least 100,000 gallons of gasoline per month, based on average monthly sales for the 2-year period before the adoption date; or

(iii) 2 years after the adoption date, in the case of all other gasoline dispensing facilities.

Any gasoline dispensing facility described under both clause (i) and clause (ii) shall meet the requirements of clause (i).

(C) REFERENCE TO TERMS.—For purposes of this paragraph, any reference to the term “adoption date” shall be considered a reference to the date of adoption by the State of requirements for the installation and operation of a system for gasoline vapor recovery of emissions from the fueling of motor vehicles.

(4) MOTOR VEHICLE INSPECTION AND MAINTENANCE.—For all Moderate Areas, the State shall submit, immediately after the date of the enactment of the Clean Air Act Amendments of 1990, a revision to the applicable implementation plan that includes provisions necessary to provide for a vehicle inspection and maintenance program as described in subsection (a)(2)(B) (without regard to whether or not the area was required by section 172(b)(11)(B) (as in effect immediately before the date of the enactment of the Clean Air Act Amendments of 1990) to have included a specific schedule for implementation of such a program).

(5) GENERAL OFFSET REQUIREMENT.—For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increase emissions of such air pollutant shall be at least 1.15 to 1.

(c) SERIOUS AREAS.—Except as otherwise specified in paragraph (4), each State in which all or part of a Serious Area is located shall, with respect to the Serious Area (or portion thereof, to the extent specified in this subsection), make the submissions described under subsection (b) (relating to Moderate Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. For any Serious Area, the terms “major source” and “major stationary source” include (in addition to the sources described in section 302) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 50 tons per year of volatile organic compounds.

(1) ENHANCED MONITORING.—In order to obtain more comprehensive and representative data on ozone air pollution, not later than 18 months after the date of the enactment of the Clean Air Act Amendments of 1990 the Administrator shall promulgate rules, after notice and public comment, for enhanced monitoring of ozone, oxides of nitrogen, and volatile organic compounds. The rules shall, among other things, cover the location and maintenance of monitors. Immediately following the promulgation of rules by the Administrator relating to enhanced monitoring, the State shall commence such actions as may be necessary to adopt and implement a program based on such rules, to improve monitoring for ambient concentrations of ozone, oxides of nitrogen and volatile organic compounds and to improve monitoring of emissions of oxides of nitrogen and volatile organic compounds. Each State implementation plan for the area shall contain measures to improve the ambient monitoring of such air pollutants.

(2) ATTAINMENT AND REASONABLE FURTHER PROGRESS DEMONSTRATIONS.—Within 4 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision to the applicable implementation plan that includes each of the following:

(A) ATTAINMENT DEMONSTRATION.—A demonstration that the plan, as revised, will provide for attainment of the ozone national ambient air quality standard by the applicable attainment date. This attainment demonstration must be based on photochemical grid modeling or any other analytical method determined by the Administrator, in the Administrator’s discretion, to be at least as effective.

(B) REASONABLE FURTHER PROGRESS DEMONSTRATION.—A demonstration that the plan, as revised, will result in VOC emissions reductions from the baseline emissions described in subsection (b)(1)(B) equal to the following amount averaged over each consecutive 3-year period beginning 6 years after the date of the enactment of the Clean Air Act Amendments of 1990, until the attainment date:

- (i) at least 3 percent of baseline emissions each year;
- or
- (ii) an amount less than 3 percent of such baseline emissions each year, if the State demonstrates to the satisfaction of the Administrator that the plan reflecting such lesser amount includes all measures that can feasibly be implemented in the area, in light of technological achievability *and economic feasibility*.

To lessen the 3 percent requirement under clause (ii), a State must demonstrate to the satisfaction of the Administrator that the plan for the area includes the measures that are achieved in practice by sources in the same source category in nonattainment areas of the next higher classification. Any determination to lessen the 3 percent requirement shall be reviewed at each milestone under section 182(g) and revised to reflect such new measures (if any) achieved in practice by sources in the same category in any State, allowing a reasonable time to implement such measures. The emission reductions described in this subparagraph shall be calculated in accordance with subsection (b)(1) (C) and (D) (concerning creditability of reductions). The reductions creditable for the period beginning 6 years after the date of the enactment of the Clean Air Act Amendments of 1990, shall include reductions that occurred before such period, computed in accordance with subsection (b)(1), that exceed the 15-percent amount of reductions required under subsection (b)(1)(A).

(C) NO<sub>x</sub>CONTROL.—The revision may contain, in lieu of the demonstration required under subparagraph (B), a demonstration to the satisfaction of the Administrator that the applicable implementation plan, as revised, provides for reductions of emissions of VOC's and oxides of nitrogen (calculated according to the creditability provisions of subsection (b)(1) (C) and (D)), that would result in a reduction in ozone concentrations at least equivalent to that which would result from the amount of VOC emission reductions required under subparagraph (B). Within 1 year after the date of the enactment of the Clean Air Act Amendments of 1990, the Administrator shall issue guidance concerning the conditions under which NO<sub>x</sub> control may be substituted for VOC control or may be combined with VOC control in order to maximize the reduction in ozone air pollution. In accord with such guidance, a lesser percentage of VOCs may be accepted as an adequate demonstration for purposes of this subsection.

(3) ENHANCED VEHICLE INSPECTION AND MAINTENANCE PROGRAM.—

(A) REQUIREMENT FOR SUBMISSION.—Within 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision to the applicable implementation plan to provide for an enhanced program to reduce hydrocarbon emissions and NO<sub>x</sub> emissions from in-use motor vehicles registered in each urbanized area (in the nonattainment area), as defined by

the Bureau of the Census, with a 1980 population of 200,000 or more.

(B) EFFECTIVE DATE OF STATE PROGRAMS; GUIDANCE.—The State program required under subparagraph (A) shall take effect no later than 2 years from the date of the enactment of the Clean Air Act Amendments of 1990, and shall comply in all respects with guidance published in the Federal Register (and from time to time revised) by the Administrator for enhanced vehicle inspection and maintenance programs. Such guidance shall include—

(i) a performance standard achievable by a program combining emission testing, including on-road emission testing, with inspection to detect tampering with emission control devices and misfueling for all light-duty vehicles and all light-duty trucks subject to standards under section 202; and

(ii) program administration features necessary to reasonably assure that adequate management resources, tools, and practices are in place to attain and maintain the performance standard.

Compliance with the performance standard under clause (i) shall be determined using a method to be established by the Administrator.

(C) STATE PROGRAM.—The State program required under subparagraph (A) shall include, at a minimum, each of the following elements—

(i) Computerized emission analyzers, including on-road testing devices.

(ii) No waivers for vehicles and parts covered by the emission control performance warranty as provided for in section 207(b) unless a warranty remedy has been denied in writing, or for tampering-related repairs.

(iii) In view of the air quality purpose of the program, if, for any vehicle, waivers are permitted for emissions-related repairs not covered by warranty, an expenditure to qualify for the waiver of an amount of \$450 or more for such repairs (adjusted annually as determined by the Administrator on the basis of the Consumer Price Index in the same manner as provided in title V).

(iv) Enforcement through denial of vehicle registration (except for any program in operation before the date of the enactment of the Clean Air Act Amendments of 1990 whose enforcement mechanism is demonstrated to the Administrator to be more effective than the applicable vehicle registration program in assuring that noncomplying vehicles are not operated on public roads).

(v) Annual emission testing and necessary adjustment, repair, and maintenance, unless the State demonstrates to the satisfaction of the Administrator that a biennial inspection, in combination with other features of the program which exceed the requirements of this Act, will result in emission reductions which

equal or exceed the reductions which can be obtained through such annual inspections.

(vi) Operation of the program on a centralized basis, unless the State demonstrates to the satisfaction of the Administrator that a decentralized program will be equally effective. An electronically connected testing system, a licensing system, or other measures (or any combination thereof) may be considered, in accordance with criteria established by the Administrator, as equally effective for such purposes.

(vii) Inspection of emission control diagnostic systems and the maintenance or repair of malfunctions or system deterioration identified by or affecting such diagnostics systems.

Each State shall biennially prepare a report to the Administrator which assesses the emission reductions achieved by the program required under this paragraph based on data collected during inspection and repair of vehicles. The methods used to assess the emission reductions shall be those established by the Administrator.

(4) CLEAN-FUEL VEHICLE PROGRAMS.—(A) Except to the extent that substitute provisions have been approved by the Administrator under subparagraph (B), the State shall submit to the Administrator, within 42 months of the date of the enactment of the Clean Air Act Amendments of 1990, a revision to the applicable implementation plan for each area described under part C of title II to include such measures as may be necessary to ensure the effectiveness of the applicable provisions of the clean-fuel vehicle program prescribed under part C of title II, including all measures necessary to make the use of clean alternative fuels in clean-fuel vehicles (as defined in part C of title II) economic from the standpoint of vehicle owners. Such a revision shall also be submitted for each area that opts into the clean fuel-vehicle program as provided in part C of title II.

(B) The Administrator shall approve, as a substitute for all or a portion of the clean-fuel vehicle program prescribed under part C of title II, any revision to the relevant applicable implementation plan that in the Administrator's judgment will achieve long-term reductions in ozone-producing and toxic air emissions equal to those achieved under part C of title II, or the percentage thereof attributable to the portion of the clean-fuel vehicle program for which the revision is to substitute. The Administrator may approve such revision only if it consists exclusively of provisions other than those required under this Act for the area. Any State seeking approval of such revision must submit the revision to the Administrator within 24 months of the date of the enactment of the Clean Air Act Amendments of 1990. The Administrator shall approve or disapprove any such revision within 30 months of the date of the enactment of the Clean Air Act Amendments of 1990. The Administrator shall publish the revision submitted by a State in the Federal Register upon receipt. Such notice shall constitute a notice of proposed rulemaking on whether or not to approve such revision and shall be deemed to comply with the require-

ments concerning notices of proposed rulemaking contained in sections 553 through 557 of title 5 of the United States Code (related to notice and comment). Where the Administrator approves such revision for any area, the State need not submit the revision required by subparagraph (A) for the area with respect to the portions of the Federal clean-fuel vehicle program for which the Administrator has approved the revision as a substitute.

(C) If the Administrator determines, under section 179, that the State has failed to submit any portion of the program required under subparagraph (A), then, in addition to any sanctions available under section 179, the State may not receive credit, in any demonstration of attainment or reasonable further progress for the area, for any emission reductions from implementation of the corresponding aspects of the Federal clean-fuel vehicle requirements established in part C of title II.

(5) TRANSPORTATION CONTROL.—(A) Beginning 6 years after the date of the enactment of the Clean Air Act Amendments of 1990 and each third year thereafter, the State shall submit a demonstration as to whether current aggregate vehicle mileage, aggregate vehicle emissions, congestion levels, and other relevant parameters are consistent with those used for the area's demonstration of attainment. Where such parameters and emissions levels exceed the levels projected for purposes of the area's attainment demonstration, the State shall within 18 months develop and submit a revision of the applicable implementation plan that includes a transportation control measures program consisting of measures from, but not limited to, section 108(f) that will reduce emissions to levels that are consistent with emission levels projected in such demonstration. In considering such measures, the State should ensure adequate access to downtown, other commercial, and residential areas and should avoid measures that increase or relocate emissions and congestion rather than reduce them. Such revision shall be developed in accordance with guidance issued by the Administrator pursuant to section 108(e) and with the requirements of section 174(b) and shall include implementation and funding schedules that achieve expeditious emissions reductions in accordance with implementation plan projections.

(6) DE MINIMIS RULE.—The new source review provisions under this part shall ensure that increased emissions of volatile organic compounds resulting from any physical change in, or change in the method of operation of, a stationary source located in the area shall not be considered de minimis for purposes of determining the applicability of the permit requirements established by this Act unless the increase in net emissions of such air pollutant from such source does not exceed 25 tons when aggregated with all other net increases in emissions from the source over any period of 5 consecutive calendar years which includes the calendar year in which such increase occurred.

(7) SPECIAL RULE FOR MODIFICATIONS OF SOURCES EMITTING LESS THAN 100 TONS.—In the case of any major stationary source of volatile organic compounds located in the area (other than a source which emits or has the potential to emit 100 tons

or more of volatile organic compounds per year), whenever any change (as described in section 111(a)(4)) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 172(c)(5) and section 173(a), except that such increase shall not be considered a modification for such purposes if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds concerned from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. If the owner or operator does not make such election, such change shall be considered a modification for such purposes, but in applying section 173(a)(2) in the case of any such modification, the best available control technology (BACT), as defined in section 169, shall be substituted for the lowest achievable emission rate (LAER). The Administrator shall establish and publish policies and procedures for implementing the provisions of this paragraph.

(8) SPECIAL RULE FOR MODIFICATIONS OF SOURCES EMITTING 100 TONS OR MORE.—In the case of any major stationary source of volatile organic compounds located in the area which emits or has the potential to emit 100 tons or more of volatile organic compounds per year, whenever any change (as described in section 111(a)(4)) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 172(c)(5) and section 173(a), except that if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1, the requirements of section 173(a)(2) (concerning the lowest achievable emission rate (LAER)) shall not apply.

(9) CONTINGENCY PROVISIONS.—In addition to the contingency provisions required under section 172(c)(9), the plan revision shall provide for the implementation of specific measures to be undertaken if the area fails to meet any applicable milestone. Such measures shall be included in the plan revision as contingency measures to take effect without further action by the State or the Administrator upon a failure by the State to meet the applicable milestone.

(10) GENERAL OFFSET REQUIREMENT.—For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increase emissions of such air pollutant shall be at least 1.2 to 1.

Any reference to “attainment date” in subsection (b), which is incorporated by reference into this subsection, shall refer to the attainment date for serious areas.

(d) SEVERE AREAS.—Each State in which all or part of a Severe Area is located shall, with respect to the Severe Area, make the submissions described under subsection (c) (relating to Serious

Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. For any Severe Area, the terms “major source” and “major stationary source” include (in addition to the sources described in section 302) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 25 tons per year of volatile organic compounds.

(1) VEHICLE MILES TRAVELED.—(A) Within 2 years after the date of enactment of the Clean Air Act Amendments of 1990, the State shall submit a revision that identifies and adopts specific enforceable transportation control strategies and transportation control measures to offset any growth in emissions from growth in vehicle miles traveled or numbers of vehicle trips in such area and to attain reduction in motor vehicle emissions as necessary, in combination with other emission reduction requirements of this subpart, to comply with the requirements of subsection (b)(2)(B) and (c)(2)(B) (pertaining to periodic emissions reduction requirements). The State shall consider measures specified in section 108(f), and choose from among and implement such measures as necessary to demonstrate attainment with the national ambient air quality standards; in considering such measures, the State should ensure adequate access to downtown, other commercial, and residential areas and should avoid measures that increase or relocate emissions and congestion rather than reduce them.

(B) The State may also, in its discretion, submit a revision at any time requiring employers in such area to implement programs to reduce work-related vehicle trips and miles travelled by employees. Such revision shall be developed in accordance with guidance issued by the Administrator pursuant to section 108(f) and may require that employers in such area increase average passenger occupancy per vehicle in commuting trips between home and the workplace during peak travel periods. The guidance of the Administrator may specify average vehicle occupancy rates which vary for locations within a nonattainment area (suburban, center city, business district) or among nonattainment areas reflecting existing occupancy rates and the availability of high occupancy modes. Any State required to submit a revision under this subparagraph (as in effect before the date of enactment of this sentence) containing provisions requiring employers to reduce work-related vehicle trips and miles travelled by employees may, in accordance with State law, remove such provisions from the implementation plan, or withdraw its submission, if the State notifies the Administrator, in writing, that the State has undertaken, or will undertake, one or more alternative methods that will achieve emission reductions equivalent to those to be achieved by the removed or withdrawn provisions.

(2) OFFSET REQUIREMENT.—For purposes of satisfying the offset requirements pursuant to this part, the ratio of total emission reductions of VOCs to total increased emissions of such air pollutant shall be at least 1.3 to 1, except that if the State plan requires all existing major sources in the nonattainment area to use best available control technology (as defined in section

169(3)) for the control of volatile organic compounds, the ratio shall be at least 1.2 to 1.

(3) ENFORCEMENT UNDER SECTION 185.—By December 31, 2000, the State shall submit a plan revision which includes the provisions required under section 185.

Any reference to the term “attainment date” in subsection (b) or (c), which is incorporated by reference into this subsection (d), shall refer to the attainment date for Severe Areas.

(e) EXTREME AREAS.—Each State in which all or part of an Extreme Area is located shall, with respect to the Extreme Area, make the submissions described under subsection (d) (relating to Severe Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. [The provisions of clause (ii) of subsection (c)(2)(B) (relating to reductions of less than 3 percent), the provisions of paragraphs] *The provisions of paragraphs* (6), (7) and (8) of subsection (c) (relating to de minimus rule and modification of sources), and the provisions of clause (ii) of subsection (b)(1)(A) (relating to reductions of less than 15 percent)] shall not apply in the case of an Extreme Area. For any Extreme Area, the terms “major source” and “major stationary source” includes (in addition to the sources described in section 302) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 10 tons per year of volatile organic compounds.

(1) OFFSET REQUIREMENT.—For purposes of satisfying the offset requirements pursuant to this part, the ratio of total emission reductions of VOCs to total increased emissions of such air pollutant shall be at least 1.5 to 1, except that if the State plan requires all existing major sources in the nonattainment area to use best available control technology (as defined in section 169(3)) for the control of volatile organic compounds, the ratio shall be at least 1.2 to 1.

(2) MODIFICATIONS—Any change (as described in section 111(a)(4)) at a major stationary source which results in any increase in emissions from any discrete operation, unit, or other pollutant emitting activity at the source shall be considered a modification for purposes of section 172(c)(5) and section 173(a), except that for purposes of complying with the offset requirement pursuant to section 173(a)(1), any such increase shall not be considered a modification if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of the air pollutant concerned from other discrete operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. The offset requirements of this part shall not be applicable in Extreme Areas to a modification of an existing source if such modification consists of installation of equipment required to comply with the applicable implementation plan, permit, or this Act.

(3) USE OF CLEAN FUELS OR ADVANCED CONTROL TECHNOLOGY.—For Extreme Areas, a plan revision shall be submitted within 3 years after the date of the enactment of the Clean Air Act Amendments of 1990 to require, effective 8 years after such date, that each new, modified, and existing electric

utility and industrial and commercial boiler which emits more than 25 tons per year of oxides of nitrogen—

(A) burn as its primary fuel natural gas, methanol, or ethanol (or a comparably low polluting fuel), or

(B) use advanced control technology (such as catalytic control technology or other comparably effective control methods) for reduction of emissions of oxides of nitrogen. For purposes of this subsection, the term “primary fuel” means the fuel which is used 90 percent or more of the operating time. This paragraph shall not apply during any natural gas supply emergency (as defined in title III of the Natural Gas Policy Act of 1978).

(4) **TRAFFIC CONTROL MEASURES DURING HEAVY TRAFFIC HOURS.**—For Extreme Areas, each implementation plan revision under this subsection may contain provisions establishing traffic control measures applicable during heavy traffic hours to reduce the use of high polluting vehicles or heavy-duty vehicles, notwithstanding any other provision of law.

(5) **NEW TECHNOLOGIES.**—The Administrator may, in accordance with section 110, approve provisions of an implementation plan for an Extreme Area which anticipate development of new control techniques or improvement of existing control technologies, and an attainment demonstration based on such provisions, if the State demonstrates to the satisfaction of the Administrator that—

[(A) such provisions are not necessary to achieve the incremental emission reductions required during the first 10 years after the date of the enactment of the Clean Air Act Amendments of 1990; and

[(B) the State has submitted enforceable commitments to develop and adopt contingency measures to be implemented as set forth herein if the anticipated technologies do not achieve planned reductions.]

[Such contingency measures shall be submitted to the Administrator no later than 3 years before proposed implementation of the plan provisions and approved or disapproved by the Administrator in accordance with section 110. The contingency measures shall be adequate to produce emission reductions sufficient, in conjunction with other approved plan provisions, to achieve the periodic emission reductions required by subsection (b)(1) or (c)(2) and attainment by the applicable dates. If the Administrator determines that an Extreme Area has failed to achieve an emission reduction requirement set forth in subsection (b)(1) or (c)(2), and that such failure is due in whole or part to an inability to fully implement provisions approved pursuant to this subsection, the Administrator shall require the State to implement the contingency measures to the extent necessary to assure compliance with subsections (b)(1) and (c)(2).]

Any reference to the term “attainment date” in subsection (b), (c), or (d) which is incorporated by reference into this subsection, shall refer to the attainment date for Extreme Areas.

(f) **NO<sub>x</sub> REQUIREMENTS.**—(1) The plan provisions required under this subpart for major stationary sources of volatile organic compounds shall also apply to major stationary sources (as defined in

section 302 and subsections (c), (d), and (e) of this section) of oxides of nitrogen. This subsection shall not apply in the case of oxides of nitrogen for those sources for which the Administrator determines (when the Administrator approves a plan or plan revision) that net air quality benefits are greater in the absence of reductions of oxides of nitrogen from the sources concerned. This subsection shall also not apply in the case of oxides of nitrogen for—

(A) nonattainment areas not within an ozone transport region under section 184 if the Administrator determines (when the Administrator approves a plan or plan revision) that additional reductions of oxides of nitrogen would not contribute to attainment of the national ambient air quality standard for ozone in the area, or

(B) nonattainment areas within such an ozone transport region if the Administrator determines (when the Administrator approves a plan or plan revision) that additional reductions of oxides of nitrogen would not produce net ozone air quality benefits in such region.

The Administrator shall, in the Administrator's determinations, consider the study required under section 185B.

(2)(A) If the Administrator determines that excess reductions in emissions of  $\text{NO}_x$  would be achieved under paragraph (1), the Administrator may limit the application of paragraph (1) to the extent necessary to avoid achieving such excess reductions.

(B) For purposes of this paragraph, excess reductions in emissions of  $\text{NO}_x$  are emission reductions for which the Administrator determines that net air quality benefits are greater in the absence of such reductions. Alternatively, for purposes of this paragraph, excess reductions in emissions of  $\text{NO}_x$  are, for—

(i) nonattainment areas not within an ozone transport region under section 184, emission reductions that the Administrator determines would not contribute to attainment of the national ambient air quality standard for ozone in the area, or

(ii) nonattainment areas within such ozone transport region, emission reductions that the Administrator determines would not produce net ozone air quality benefits in such region.

(3) At any time after the final report under section 185B is submitted to Congress, a person may petition the Administrator for a determination under paragraph (1) or (2) with respect to any nonattainment area or any ozone transport region under section 184. The Administrator shall grant or deny such petition within 6 months after its filing with the Administrator.

(g) MILESTONES.—

(1) REDUCTIONS IN EMISSIONS.—6 years after the date of the enactment of the Clean Air Amendments of 1990 and at intervals of every 3 years thereafter, the State shall determine whether each nonattainment area (other than an area classified as Marginal or Moderate) has achieved a reduction in emissions during the preceding intervals equivalent to the total emission reductions required to be achieved by the end of such interval pursuant to subsection (b)(1) and the corresponding requirements of subsections (c)(2) (B) and (C), (d), and (e). Such reduction shall be referred to in this section as an applicable milestone.

(2) COMPLIANCE DEMONSTRATION.—For each nonattainment area referred to in paragraph (1), not later than 90 days after the date on which an applicable milestone occurs (not including an attainment date on which a milestone occurs in cases where the standard has been attained), each State in which all or part of such area is located shall submit to the Administrator a demonstration that the milestone has been met. A demonstration under this paragraph shall be submitted in such form and manner, and shall contain such information and analysis, as the Administrator shall require, by rule. The Administrator shall determine whether or not a State's demonstration is adequate within 90 days after the Administrator's receipt of a demonstration which contains the information and analysis required by the Administrator.

(3) SERIOUS AND SEVERE AREAS; STATE ELECTION.—If a State fails to submit a demonstration under paragraph (2) for any Serious or Severe Area within the required period or if the Administrator determines that the area has not met any applicable milestone, the State shall elect, within 90 days after such failure or determination—

(A) to have the area reclassified to the next higher classification,

(B) to implement specific additional measures adequate, as determined by the Administrator, to meet the next milestone as provided in the applicable contingency plan, or

(C) to adopt an economic incentive program as described in paragraph (4).

If the State makes an election under subparagraph (B), the Administrator shall, within 90 days after the election, review such plan and shall, if the Administrator finds the contingency plan inadequate, require further measures necessary to meet such milestone. Once the State makes an election, it shall be deemed accepted by the Administrator as meeting the election requirement. If the State fails to make an election required under this paragraph within the required 90-day period or within 6 months thereafter, the area shall be reclassified to the next higher classification by operation of law at the expiration of such 6-month period. Within 12 months after the date required for the State to make an election, the State shall submit a revision of the applicable implementation plan for the area that meets the requirements of this paragraph. The Administrator shall review such plan revision and approve or disapprove the revision within 9 months after the date of its submission.

(4) ECONOMIC INCENTIVE PROGRAM.—(A) An economic incentive program under this paragraph shall be consistent with rules published by the Administrator and sufficient, in combination with other elements of the State plan, to achieve the next milestone. The State program may include a nondiscriminatory system, consistent with applicable law regarding interstate commerce, of State established emissions fees or a system of marketable permits, or a system of State fees on sale or manufacture of products the use of which contributes to ozone formation, or any combination of the foregoing or other similar

measures. The program may also include incentives and requirements to reduce vehicle emissions and vehicle miles traveled in the area, including any of the transportation control measures identified in section 108(f).

(B) Within 2 years after the date of the enactment of the Clean Air Act Amendments of 1990, the Administrator shall publish rules for the programs to be adopted pursuant to subparagraph (A). Such rules shall include model plan provisions which may be adopted for reducing emissions from permitted stationary sources, area sources, and mobile sources. The guidelines shall require that any revenues generated by the plan provisions adopted pursuant to subparagraph (A) shall be used by the State for any of the following:

(i) Providing incentives for achieving emission reductions.

(ii) Providing assistance for the development of innovative technologies for the control of ozone air pollution and for the development of lower-polluting solvents and surface coatings. Such assistance shall not provide for the payment of more than 75 percent of either the costs of any project to develop such a technology or the costs of development of a lower-polluting solvent or surface coating.

(iii) Funding the administrative costs of State programs under this Act. Not more than 50 percent of such revenues may be used for purposes of this clause.

(5) EXTREME AREAS.—If a State fails to submit a demonstration under paragraph (2) for any Extreme Area within the required period, or if the Administrator determines that the area has not met any applicable milestone, the State shall, within 9 months after such failure or determination, submit a plan revision to implement an economic incentive program which meets the requirements of paragraph (4). The Administrator shall review such plan revision and approve or disapprove the revision within 9 months after the date of its submission.

(h) RURAL TRANSPORT AREAS.—(1) Notwithstanding any other provision of section 181 or this section, a State containing an ozone nonattainment area that does not include, and is not adjacent to, any part of a Metropolitan Statistical Area or, where one exists, a Consolidated Metropolitan Statistical Area (as defined by the United States Bureau of the Census), which area is treated by the Administrator, in the Administrator's discretion, as a rural transport area within the meaning of paragraph (2), shall be treated by operation of law as satisfying the requirements of this section if it makes the submissions required under subsection (a) of this section (relating to marginal areas).

(2) The Administrator may treat an ozone nonattainment area as a rural transport area if the Administrator finds that sources of VOC (and, where the Administrator determines relevant, NO<sub>x</sub>) emissions within the area do not make a significant contribution to the ozone concentrations measured in the area or in other areas.

(i) RECLASSIFIED AREAS.—Each State containing an ozone nonattainment area reclassified under section 181(b)(2) shall meet such requirements of subsections (b) through (d) of this section as may be applicable to the area as reclassified, according to the schedules prescribed in connection with such requirements, except

that the Administrator may adjust any applicable deadlines (other than attainment dates) to the extent such adjustment is necessary or appropriate to assure consistency among the required submissions.

(j) MULTI-STATE OZONE NONATTAINMENT AREAS.—

(1) COORDINATION AMONG STATES.—Each State in which there is located a portion of a single ozone nonattainment area which covers more than one State (hereinafter in this section referred to as a “multi-State ozone nonattainment area”) shall—

(A) take all reasonable steps to coordinate, substantively and procedurally, the revisions and implementation of State implementation plans applicable to the nonattainment area concerned; and

(B) use photochemical grid modeling or any other analytical method determined by the Administrator, in his discretion, to be at least as effective.

The Administrator may not approve any revision of a State implementation plan submitted under this part for a State in which part of a multi-State ozone nonattainment area is located if the plan revision for that State fails to comply with the requirements of this subsection.

(2) FAILURE TO DEMONSTRATE ATTAINMENT.—If any State in which there is located a portion of a multi-State ozone nonattainment area fails to provide a demonstration of attainment of the national ambient air quality standard for ozone in that portion within the required period, the State may petition the Administrator to make a finding that the State would have been able to make such demonstration but for the failure of one or more other States in which other portions of the area are located to commit to the implementation of all measures required under section 182 (relating to plan submissions and requirements for ozone nonattainment areas). If the Administrator makes such finding, the provisions of section 179 (relating to sanctions) shall not apply, by reason of the failure to make such demonstration, in the portion of the multi-State ozone nonattainment area within the State submitting such petition.

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**Subpart 4—Additional Provisions for Particulate Matter Nonattainment Areas**

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**SEC. 189. PLAN PROVISIONS AND SCHEDULES FOR PLAN SUBMISSIONS.**

(a) MODERATE AREAS.—

(1) PLAN PROVISIONS.—Each State in which all or part of a Moderate Area is located shall submit, according to the applicable schedule under paragraph (2), an implementation plan that includes each of the following:

(A) For the purpose of meeting the requirements of section 172(c)(5), a permit program providing that permits meeting the requirements of section 173 are required for

the construction and operation of new and modified major stationary sources of PM-10.

(B) Either (i) a demonstration (including air quality modeling) that the plan will provide for attainment by the applicable attainment date; or (ii) a demonstration that attainment by such date is impracticable.

(C) Provisions to assure that reasonably available control measures for the control of PM-10 shall be implemented no later than December 10, 1993, or 4 years after designation in the case of an area classified as moderate after the date of the enactment of the Clean Air Act Amendments of 1990.

(2) SCHEDULE FOR PLAN SUBMISSIONS.—A State shall submit the plan required under subparagraph (1) no later than the following:

(A) Within 1 year of the date of the enactment of the Clean Air Act Amendments of 1990, for areas designated nonattainment under section 107(d)(4), except that the provision required under subparagraph (1)(A) shall be submitted no later than June 30, 1992.

(B) 18 months after the designation as nonattainment, for those areas designated nonattainment after the designations prescribed under section 107(d)(4).

(b) SERIOUS AREAS.—

(1) PLAN PROVISIONS.—In addition to the provisions submitted to meet the requirements of paragraph (a)(1) (relating to Moderate Areas), each State in which all or part of a Serious Area is located shall submit an implementation plan for such area that includes each of the following:

(A) A demonstration (including air quality modeling)—

(i) that the plan provides for attainment of the PM-10 national ambient air quality standard by the applicable attainment date, or

(ii) for any area for which the State is seeking, pursuant to section 188(e), an extension of the attainment date beyond the date set forth in section 188(c), that attainment by that date would be impracticable, and that the plan provides for attainment by the most expeditious alternative date practicable.

(B) Provisions to assure that the best available control measures for the control of PM-10 shall be implemented no later than 4 years after the date the area is classified (or reclassified) as a Serious Area.

(2) SCHEDULE FOR PLAN SUBMISSIONS.—A State shall submit the demonstration required for an area under paragraph (1)(A) no later than 4 years after reclassification of the area to Serious, except that for areas reclassified under section 188(b)(2), the State shall submit the attainment demonstration within 18 months after reclassification to Serious. A State shall submit the provisions described under paragraph (1)(B) no later than 18 months after reclassification of the area as a Serious Area.

(3) MAJOR SOURCES.—For any Serious Area, the terms “major source” and “major stationary source” include any stationary source or group of stationary sources located within a

contiguous area and under common control that emits, or has the potential to emit, at least 70 tons per year of PM-10.

(c) MILESTONES.—(1) Plan revisions demonstrating attainment submitted to the Administrator for approval under this subpart shall contain quantitative milestones which are to be achieved every 3 years until the area is redesignated attainment, *which take into account technological achievability and economic feasibility*, and which demonstrate reasonable further progress, as defined in section 171(1), toward attainment by the applicable date.

(2) Not later than 90 days after the date on which a milestone applicable to the area occurs, each State in which all or part of such area is located shall submit to the Administrator a demonstration that all measures in the plan approved under this section have been implemented and that the milestone has been met. A demonstration under this subsection shall be submitted in such form and manner, and shall contain such information and analysis, as the Administrator shall require. The Administrator shall determine whether or not a State's demonstration under this subsection is adequate within 90 days after the Administrator's receipt of a demonstration which contains the information and analysis required by the Administrator.

(3) If a State fails to submit a demonstration under paragraph (2) with respect to a milestone within the required period or if the Administrator determines that the area has not met any applicable milestone, the Administrator shall require the State, within 9 months after such failure or determination to submit a plan revision that assures that the State will achieve the next milestone (or attain the national ambient air quality standard for PM-10, if there is no next milestone) by the applicable date.

(d) FAILURE TO ATTAIN.—In the case of a Serious PM-10 non-attainment area in which the PM-10 standard is not attained by the applicable attainment date, the State in which such area is located shall, after notice and opportunity for public comment, submit within 12 months after the applicable attainment date, plan revisions which provide for attainment of the PM-10 air quality standard and, from the date of such submission until attainment, for an annual reduction in PM-10 or PM-10 precursor emissions within the area of not less than 5 percent of the amount of such emissions as reported in the most recent inventory prepared for such area.

(e) PM-10 PRECURSORS.—The control requirements applicable under plans in effect under this part for major stationary sources of PM-10 shall also apply to major stationary sources of PM-10 precursors, except where the Administrator determines that such sources do not contribute significantly to PM-10 levels which exceed the standard in the area. The Administrator shall issue guidelines regarding the application of the preceding sentence.

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### TITLE III—GENERAL

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**SEC. 319. AIR QUALITY MONITORING.**

(a) **IN GENERAL.**—After notice and opportunity for public hearing, the Administrator shall promulgate regulations establishing an air quality monitoring system throughout the United States which—

(1) utilizes uniform air quality monitoring criteria and methodology and measures such air quality according to a uniform air quality index,

(2) provides for air quality monitoring stations in major urban areas and other appropriate areas throughout the United States to provide monitoring such as will supplement (but not duplicate) air quality monitoring carried out by the States required under any applicable implementation plan,

(3) provides for daily analysis and reporting of air quality based upon such uniform air quality index, and

(4) provides for recordkeeping with respect to such monitoring data and for periodic analysis and reporting to the general public by the Administrator with respect to air quality based upon such data.

The operation of such air quality monitoring system may be carried out by the Administrator or by such other departments, agencies, or entities of the Federal Government (including the National Weather Service) as the President may deem appropriate. Any air quality monitoring system required under any applicable implementation plan under section 110 shall, as soon as practicable following promulgation of regulations under this section, utilize the standard criteria and methodology, and measure air quality according to the standard index, established under such regulations.

(b) **AIR QUALITY MONITORING DATA INFLUENCED BY EXCEPTIONAL EVENTS.**—

(1) **DEFINITION OF EXCEPTIONAL EVENT.**—In this section:

(A) **IN GENERAL.**—The term “exceptional event” means an event that—

(i) affects air quality;

(ii) is not reasonably controllable or preventable;

(iii) is an event caused by human activity that is unlikely to recur at a particular location or a natural event; and

(iv) is determined by the Administrator through the process established in the regulations promulgated under paragraph (2) to be an exceptional event.

(B) **EXCLUSIONS.**—In this subsection, the term “exceptional event” does not include—

[(i) stagnation of air masses or] (i) (I) *ordinarily occurring stagnation of air masses or* (II) meteorological inversions; or

[(ii) a meteorological event involving high temperatures or lack of precipitation; or]

[(iii)] (ii) air pollution relating to source noncompliance.

(2) **REGULATIONS.**—

(A) **PROPOSED REGULATIONS.**—Not later than March 1, 2006, after consultation with Federal land managers and State air pollution control agencies, the Administrator shall publish in the Federal Register proposed regulations

governing the review and handling of air quality monitoring data influenced by exceptional events.

(B) FINAL REGULATIONS.—Not later than 1 year after the date on which the Administrator publishes proposed regulations under subparagraph (A), and after providing an opportunity for interested persons to make oral presentations of views, data, and arguments regarding the proposed regulations, the Administrator shall promulgate final regulations governing the review and handling of air quality monitoring data influenced by an exceptional event that are consistent with paragraph (3).

(3) PRINCIPLES AND REQUIREMENTS.—

(A) PRINCIPLES.—In promulgating regulations under this section, the Administrator shall follow—

(i) the principle that protection of public health is the highest priority;

(ii) the principle that timely information should be provided to the public in any case in which the air quality is unhealthy;

(iii) the principle that all ambient air quality data should be included in a timely manner, an appropriate Federal air quality database that is accessible to the public;

(iv) the principle that each State must take necessary measures to safeguard public health regardless of the source of the air pollution; and

(v) the principle that air quality data should be carefully screened to ensure that events not likely to recur are represented accurately in all monitoring data and analyses.

(B) REQUIREMENTS.—Regulations promulgated under this section shall, at a minimum, provide that—

(i) the occurrence of an exceptional event must be demonstrated by reliable, accurate data that is promptly produced and provided by Federal, State, or local government agencies;

(ii) a clear causal relationship must exist between the measured exceedances of a national ambient air quality standard and the exceptional event to demonstrate that the exceptional event caused a specific air pollution concentration at a particular air quality monitoring location;

(iii) there is a public process for determining whether an event is exceptional; and

(iv) there are criteria and procedures for the Governor of a State to petition the Administrator to exclude air quality monitoring data that is directly due to exceptional events from use in determinations by the Administrator with respect to exceedances or violations of the national ambient air quality standards.

(4) INTERIM PROVISION.—Until the effective date of a regulation promulgated under paragraph (2), the following guidance issued by the Administrator shall continue to apply:

(A) Guidance on the identification and use of air quality data affected by exceptional events (July 1986).

(B) Areas affected by PM-10 natural events, May 30, 1996.

(C) Appendices I, K, and N to part 50 of title 40, Code of Federal Regulations.

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## DISSENTING VIEWS

The Clean Air Act (CAA) has driven important progress in improving air quality and public health. The history of the CAA continues to demonstrate the success of our nation's current approaches and utilization of valuable tools for measuring air quality.

House Republicans claim that the goal of H.R. 4775, the "Ozone Standards Implementation Act of 2016" is to facilitate a more efficient implementation of the Environmental Protection Agency's (EPA) National Ambient Air Quality Standards (NAAQS) by states, and to provide states additional time to implement the new ozone standards. This bill would undermine decades of progress on cleaning up air pollution and protecting public health from all criteria pollutants—not just ozone. But, H.R. 4775 is an irresponsible compilation of attacks that in reality strikes directly at the heart of the CAA. It would cause irreparable harm to public health and the environment.

## ANALYSIS

The changes made to the CAA, included in H.R. 4775, would delay the implementation of health-based standards, complicate adoption and achievement of more stringent standards, and impose inappropriate cost and technological feasibility considerations on the standard-setting process. The bill inserts consideration of technological feasibility into the standard-setting process for NAAQS. Although the bill's sponsors assert this would be a minor change, adding this consideration would fundamentally alter the CAA in a manner that would erode public health and environmental protections. Considerations of cost and technological feasibility are—and should remain—separate from the identification of the appropriate standard to ensure the air we breathe is safe. Costs and technological feasibility as well as other non-risk factors are already considered in the selection of options for attaining the necessary standard. We can continue to achieve cleaner, healthier air through cost-effective means that allow our economy to grow.

The bill fundamentally alters the CAA provisions that ensure EPA's decisions to protect public health are informed by the most up-to-date knowledge about air pollutants and their health and environmental impacts. It would extend the NAAQS review period from five to ten years. Currently, EPA must review each NAAQS every five years and make revisions as appropriate.<sup>1</sup> Although EPA does not always meet the five-year deadline, the five-year cycle does provide for routine consideration of new scientific information and revisions to NAAQS, if necessary. Although EPA is required to compile new information and review current NAAQS every five years, the Agency is not required to adjust NAAQS at every review.

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<sup>1</sup>Clean Air Act at § 109(d)(1).

New information is generated at a much faster pace than a decadal review cycle would accommodate. Extending the deadline would result in fewer reviews, and less up-to-date scientific information supporting air quality decisions. The longer review period would also result in much longer periods of exposure to dangerous air pollutants in cases where scientific studies demonstrate the need for stronger standards to protect public health.

In point of fact, H.R. 4775 does nothing to address the real constraints that states and the EPA face in their efforts to implement the new ozone standards—resources. The bill’s proponents claim they are simply giving states more time to comply with the new ozone standard. But, that simply means that people living in areas with poor air quality will continue to breathe unhealthy air for a longer period of time. In addition, a number of the provisions go beyond delaying the implementation of the standard. They are designed to allow some of the areas with the most severe air quality problems to avoid compliance with the standard. For example, the bill exempts any ozone non-attainment area classified as an “Extreme Area” from the requirement for a state, local, or tribal government to apply additional control measures if its approved emission reduction plan fails to make progress toward achieving the ozone standard. And, the bill changes air quality monitoring protocols in a manner that would result in under-reporting of poor air quality conditions, allowing areas with poor air quality to appear in compliance by designating their normal cyclical weather conditions (e.g. heat and drought) as exceptional events.

It is certainly true that state budgets are constrained and many states rely on guidance and support from EPA in the preparation of their implementation plans. And, there are areas that have specific challenges which make attainment with air quality standards more difficult to achieve. However, the CAA provides flexibility for those areas while ensuring public health protection progresses. We could do far more to support states’ efforts to control dangerous air pollution by providing EPA with adequate resources to support state activities rather than providing regulatory relief to polluters.

#### EPA’S REVISION TO THE NATIONAL AMBIENT AIR QUALITY STANDARDS FOR OZONE

On October 1, 2015, EPA issued a final rule tightening the ozone NAAQS from 75 parts per billion (ppb) to 70 ppb.<sup>2</sup> EPA based its decision on the review of thousands of studies showing ozone’s effects on public health and welfare. The revised standard is consistent with the recommendations of the independent Clean Air Scientific Advisory Committee (CASAC), which had concluded that the science supports a standard within a range of 70 ppb down to 60 ppb. Ozone, also known as smog, has a number of health impacts ranging from increased asthma attacks cases of acute bronchitis in children to premature death. Ozone also damages vegetation, including crops and trees.

<sup>2</sup>U.S. Environmental Protection Agency (EPA), *National Ambient Air Quality Standards for Ozone*, 80 Fed. Reg. 65292 (Oct. 26, 2015) (final rule) (hereafter “ozone NAAQS”).

## OPPONENT'S CLAIMS ABOUT THE 2015 OZONE RULE

Critics of the proposed ozone NAAQS have raised a number of concerns about the ozone rule regarding: the number of new ozone non-attainment areas that will result from lowering the standards; the impact of background ozone on compliance; the impact on construction of new facilities; and the overall costs of implementation. A number of these criticisms are not new. They have been raised repeatedly with respect to air quality standards. Yet, history demonstrates that many of these claims ultimately prove to be exaggerated.

The rule's critics claim that more than 200 counties will not be in attainment. However, these estimates do not account for a number of existing federal rules that will help to reduce ozone along with other targeted emissions. For instance, the new Tier 3 standards for vehicles and fuels, the Cross State Air Pollution Rule (CSAPR), and the New Source Performance Standards for the Oil and Gas Industry all will help lower ozone emissions, resulting in fewer non-attainment than many previously projected. According to EPA, by 2025 only 14 counties are expected to exceed the 70 ppb standard. These projections are far lower than the 213 counties with current ozone levels above 70 ppb.<sup>3</sup> In fact, these figures are based on 2012–2014 air quality data. Final designations will likely be made based on 2014–2016 data which will reflect some of the federal measures discussed above, likely leading to even fewer non-attainment areas.

Some stakeholders have voiced concerns about the impact of “background ozone” on their ability to meet the 70 ppb ozone standard. “Background ozone” is ozone that results from natural events such as wildfires or the breakdown of hydrocarbons released by plants and soils. It also includes man-made pollution from sources outside the U.S. However, the CAA does not hold states responsible for these background emissions. While EPA does anticipate that there may be a limited number of areas where high ozone levels could be attributed to background ozone, EPA analysis indicates that background ozone is “not the sole contributor to an exceedance of the revised NAAQS” and will not prevent areas from meeting the revised 70 ppb standard.<sup>4</sup>

Various stakeholders also have raised concerns about projects with pending preconstruction permit applications and the potential impact of a revised NAAQS.<sup>5</sup> The CAA currently requires major new or expanding stationary sources of air pollution to obtain permits before they start construction to ensure they will not significantly increase air pollution above levels that are safe to breathe. The preconstruction permitting provisions of the CAA achieve this by: (1) requiring new and modified sources to use control technology to reduce their emissions; and (2) to assess, and if necessary address, their remaining air quality impacts. EPA addressed preconstruction permit concerns in the final 2015 ozone NAAQS rule. The rule grandfathered permit applications that were well

<sup>3</sup> U.S. EPA, *Ozone by The Numbers* (Oct. 1, 2015) (online at [www.epa.gov/sites/production/files/2015-10/documents/20151001-bynumbers.pdf](http://www.epa.gov/sites/production/files/2015-10/documents/20151001-bynumbers.pdf)).

<sup>4</sup> *Id.*

<sup>5</sup> See, e.g., U.S. EPA, *National Ambient Air Quality Standards for Ozone*, 80 Fed. Reg. 65292 at 65431 (Oct. 26, 2015) (final rule).

along in the permitting process, specifically permits that had been determined to be complete on or before October 1, 2015, or for which public notice of a draft permit or preliminary determination had been published as of the effective date of the revised standard. Sources eligible for grandfathering are allowed to meet the requirements associated with the prior ozone NAAQS rather than the revised standard.<sup>6</sup>

Finally and predictably, critics claim the costs of the rule will be too high and result in significant job economic growth sacrifices. In July 2014, well before the ozone proposal was issued, the National Association of Manufacturers (NAM) issued a report claiming that the ozone standards would be the most expensive rule ever issued and would reduce Gross Domestic Product by up to \$270 billion per year.<sup>7</sup> NAM updated its hastily prepared analysis in February 2015, to examine a 65 ppb standard and reached a revised estimate of \$140 billion per year.<sup>8</sup>

There are numerous problems with this study. The Congressional Research Service has identified numerous issues with the study that cause the costs to be inflated. These include the use of outdated data from 2008 and 2010 regulatory analyses; use of an incorrect baseline that does not account for the effects of the Cross State Air Pollution Rule (CSPAR) or the Clean Power Plan; and looking at only the most stringent standard option of 65 ppb available to EPA—a stand which EPA ultimately rejected.<sup>9</sup>

Perhaps, most importantly, the study fails to include any estimate of benefits. The entire purpose of EPA's clean air rules is to realize public health and environmental benefits. EPA's analysis shows that the health benefits of a 70 ppb ozone standard will significantly outweigh compliance costs by billions of dollars per year. EPA has estimated the cost of the 70 ppb ozone standard will be \$1.4 billion in 2025, with \$2.9–\$5.0 billion in benefits (excluding California). Although these estimates may not legally be used in setting the standard, they were reviewed and approved by the Office of Management and Budget as part of EPA's Regulatory Impact Analysis.<sup>10</sup>

H.R. 4475: AN IRRESPONSIBLE, CYNICAL AND UNNECESSARY ATTACK ON  
THE CLEAN AIR ACT

In conclusion, H.R. 4775 offers no constructive improvements to Clean Air Act. It is designed to erode public health and environmental protections in the guise of regulatory relief. Poor air quality is a significant threat to human health and the environment. Other nations are realizing now what we learned long ago, that unregulated emission of dangerous air pollutants is unsustainable. The

<sup>6</sup>U.S. EPA, *National Ambient Air Quality Standards for Ozone*, 80 Fed. Reg. 65292 at 65433 (Oct. 26, 2015) (final rule).

<sup>7</sup>National Association of Manufacturers, *Assessing Impacts of a Stricter National Ambient Air Quality Standard for Ozone*, (Jul. 2014) (online at [www.nam.org/Issues/Energy-and-Environment/Ozone-Regulations/NERA-NAM-Ozone-Full-Report-20140726/](http://www.nam.org/Issues/Energy-and-Environment/Ozone-Regulations/NERA-NAM-Ozone-Full-Report-20140726/)).

<sup>8</sup>National Association of Manufacturers, *Economic Impacts of a 65 ppb National Ambient Air Quality Standard for Ozone*, (Feb. 2015) (online at [www.nam.org/Issues/Energy-and-Environment/Ozone/Economic-Impacts-of-a-65-ppb-NAAQS-for-Ozone-%28NERA%29.pdf](http://www.nam.org/Issues/Energy-and-Environment/Ozone/Economic-Impacts-of-a-65-ppb-NAAQS-for-Ozone-%28NERA%29.pdf)).

<sup>9</sup>Congressional Research Service, *Ozone Air Quality Standards: EPA's 2015 Revision* (Jun. 25, 2016) (R43092) (online at [www.crs.gov/pdffile/loader/R43092](http://www.crs.gov/pdffile/loader/R43092)).

<sup>10</sup>U.S. EPA, *Regulatory Impact Analysis of the Final Revisions to the National Ambient Air Quality Standards for Ground-Level Ozone* (Sept.2015) (online at [www.regulations.gov/#/documentDetail;D=EPA-HQ-OAR-2013-0169-0057](http://www.regulations.gov/#/documentDetail;D=EPA-HQ-OAR-2013-0169-0057)).

Clean Air Act has helped us to make dramatic improvements in air quality over the past decades. Our economy has grown during this same period demonstrating that we can have both healthy air and a vibrant economy. H.R. 4775 is an unnecessary and dangerous bill that should not become law. For the reasons stated above, we dissent from the views contained in the Committee's report.

FRANK PALLONE, Jr.,  
*Ranking Member.*

BOBBY L. RUSH,  
*Ranking Member, Sub-*  
*committee on Energy and*  
*Power.*

